



Individual Income Tax Provisions in the States

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Individual Income Tax Provisions in the States

In 2017, 43 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 2017. 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. 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 2017. Notable changes to many state tax structures will take effect in 2018, as states adopt provisions included in the federal Tax Cuts and Jobs Act, and this paper's next edition will reflect those changes.

This paper is based on a review of the tax forms

and instruction booklets for each state for the 2017 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's focus is only the provisions affecting individuals and families. Many businesses are organized as pass-through entities, where business income is taxed under the individual income tax, rather than the corporate income tax. Consequently, the paper does not describe business-related provisions and omits state tax credits that are available exclusively to businesses.

States with an Income Tax

The following states imposed a tax on income in tax year 2017:

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

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

The Filing System

Three types of filing systems were used by states in 2017, 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 2017 are as follows:

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

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

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

For federal tax purposes and in states with joint filing systems, married couples may choose to file either married joint or married separate returns. This treatment extends to same-sex married couples. Prior to 2013, the federal Defense of

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

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

Income Base Subject to Taxation

Most states with an income tax in 2017 used federal AGI as a starting point to determine the state tax. New Hampshire and Tennessee taxed only unearned income such as interest and

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

Social Security. Under federal law, 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 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. Fourteen states taxed social security benefits in 2017, including five states that followed current federal practice and taxed up to 85% of benefits and nine states that provided their own taxation treatment.

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

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

A total of five states followed federal practice and taxed all capital gains and provided a \$3,000 limit on losses. New Hampshire completely exempted capital gains from taxation and Tennessee taxed only the gains from stock and mutual funds distributed as dividends. Alabama and Pennsylvania taxed capital gains, but specified that all losses were deductible in the year incurred. In addition, Pennsylvania applied a separate state tax benefit rule with respect to unused losses, depreciation, and reduction of basis. Hawaii had a special alternative tax for capital gains. New Jersey did not permit any capital losses to be deducted from ordinary income. The remaining 33 states provided a variety of exclusions and deductions. For example, Wisconsin permitted exclusions of 60% from

the sale of farm assets and 30% from the sale of other assets. Wisconsin, as well as 17 other states, extended preferential treatment for some form of in-state investment. For more information on the treatment of capital gains by individual states, please refer to the attached outline of each state's income tax structure.

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

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

With the exception of interest from U.S. obligations and from state and municipal bonds (discussed below), most states followed federal practice in 2017 and taxed interest and dividend income. Two states, Michigan and Montana, provided limited deductions for elderly taxpayers. Kansas exempted certain venture capital dividends; Massachusetts provided a limited exclusion for interest from state banks; Nebraska exempted dividend income from certain Nebraska corporations; New Jersey exempted distributions from a New Jersey qualified investment fund; North Dakota exempted 40% of dividends subject to the lower federal tax rate; and Oregon exempted dividends from certain domestic international sales corporations. Finally, the two states with

income taxes based solely on unearned income, New Hampshire and Tennessee, specifically excluded interest and dividend income earned from a number of specified sources.

State and Municipal Bond Interest. As described above, all states are required by federal law to exempt interest income derived from U.S. obligations from tax. In 2017, 37 states also provided a tax exemption for interest earned from their own state and municipal bonds. This includes Indiana which also exempts interest on other states' obligations, provided the obligation was held or acquired before January 1, 2012. Utah also provided an exemption for interest from non-Utah state and municipal bonds from states that provided a reciprocal exemption of interest from Utah obligations. Illinois, Iowa, Kansas, and Wisconsin exempted only specific state and local obligations. All state and municipal bond interest was exempt in North Dakota and the District of Columbia.

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

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

In 2017, 33 states conformed to federal law with respect to unemployment benefits and taxed all benefits. Nine states exempted all unemployment compensation from taxation, and two states

(Indiana and Wisconsin) taxed unemployment compensation based on the provisions of federal law that were in effect for tax year 1986.

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

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

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

Fourteen states followed federal practice in 2017, providing the combat zone exclusion (CZE) described above but otherwise taxing active duty military pay. Another 16 states conformed to the federal CZE while providing additional tax exemptions or credits for active duty military and/or reservists' pay. Thirteen states (Arizona, Arkansas, Illinois, Iowa, Kentucky, Michigan, Minnesota, Missouri, Montana, New Hampshire, New Mexico, Oklahoma, and Tennessee) excluded military pay from taxation, while Pennsylvania provided an exclusion for persons stationed out-of-state. Table 1 summarizes the states' tax treatment of active duty military pay.

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

Retirement/Pension Income. For federal tax purposes, distributions from retirement plans are generally taxable. In 2017, many states provided state tax exclusions for retirement/pension income. Table 2 summarizes the basic exclusion amounts for the various types of retirement income in each state. The amounts shown in the table are the maximum exclusions per person, and, in some cases, may be reduced by social security and railroad retirement benefits or may be phased out at higher income levels. When two figures are indicated, the exclusion provided is based on a factor such as age, disability level, or filing status. "State calculation" indicates that the exclusion is limited by additional factors. For example, some states limit the exclusion based on the source of the income, the date of retirement, the age of the taxpayer, or the taxpayer's total income. Additional detail on state provisions may be found in the state-by-state summaries. Federal law prohibits states from taxing railroad retirement benefits.

Health Savings Accounts. 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 (as defined under federal law) may make pre-tax contributions to an HSA to cover health care costs, subject to certain contribution limits that are

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

In tax year 2017, 39 states generally conformed to the federal HSA provisions. Wisconsin is among the states that conformed.

College Savings Plans. Under federal law, states, state agencies, and eligible educational institutions may administer college savings plans and qualified tuition programs where individuals make contributions to accounts established on behalf of beneficiaries. Withdrawals from accounts must be used to pay for the qualified educational expenses of the beneficiary and are not subject to federal tax. All states follow the federal treatment, plus plan contributions receive preferential treatment in 34 states. Contributions are the basis for tax credits in four states and deductions in 31 states; Minnesota is included in both. Taxpayers in six of these states may deduct contributions to any state's plan, while 25 states limit the deduction to that state's savings plan. Among the 31 states offering deductions, 27 states limit the amount of the deduction either on a per taxpayer or per beneficiary basis.

Deductions

Under federal law, the standard deduction varies depending on filing status, age, and whether the taxpayer or spouse is blind. The federal standard deduction for tax year 2017 is summarized in

the chart below.

2017 Federal Standard Deduction

Filing Status	Under Age 65	Age 65 or Blind	Age 65 and Blind
Single	\$6,350	\$7,900	\$9,450
Married, filing jointly			
One spouse	NA	13,950	15,200
Both spouses	12,700	15,200	17,700
Married, filing separately	6,350	7,600	8,850
Head of household	9,350	10,900	12,450

The majority of states (34) provided a standard deduction in 2017. Of these states, 11 used the federal standard deduction amounts, and 23 states crafted unique deductions. Nearly all states with a standard deduction provided a flat deduction amount, although six states tie their deduction to the taxpayer's AGI. A sliding scale standard deduction is employed in four of these states where the deduction either phases down to a minimum amount (Alabama) or phases completely out (Connecticut, Rhode Island, and Wisconsin) at higher income levels. Table 3 shows the standard deduction amounts provided in each state by filing status.

Under federal law, itemized deductions may be claimed for certain state and local taxes paid, interest expenses, medical expenses, charitable contributions, casualty and theft losses, and miscellaneous expenses. Prior to tax year 2010, certain itemized deductions were reduced if adjusted gross income was greater than a specified threshold, but the reduction was suspended for three years. For tax year 2013, the reduction was re-instated and indexed for inflation. For tax year 2017, the itemized deductions are reduced if AGI exceeds the following income thresholds:

Filing Status	AGI Exceeds
Single	\$261,500
Married Joint	313,800
Head-of-Household	287,650
Married Separate	156,900

For each dollar of AGI over the threshold, itemized deductions are reduced by 3%. However, a taxpayer's reduction cannot exceed 80% of the initial deduction amount.

Thirty-three states allowed itemized deductions in 2017, including Wisconsin where a tax credit is based on selected federal deductions. North Dakota is fully federalized, allowing taxpayers to deduct the same amount for state purposes as for federal purposes. Another 24 states allow federal deductions with adjustments. The most common adjustment is to disallow the federal deduction for state and local income taxes (20 states) and/or sales taxes (10 states). Among the federalized states, 19 states have adopted the federal limitation for high income taxpayers, and five states have adopted limitations based on state-determined income thresholds. Seven other states allow itemized deductions, but the deductions are unique to each state (labeled "state itemized deductions" in the state summaries). Finally, taxpayers are not allowed to itemize deductions in 11 states.

Exemptions

A personal exemption of \$4,050 for each taxpayer, spouse, and dependent reduced the amount of income subject to tax in tax year 2017 under federal law. Prior to tax year 2010, this exemption was phased out for high-income taxpayers, but the phase-out was suspended for three years. For 2013, the phase-out was reinstated using the same income thresholds employed for itemized deductions, including indexing. For each \$2,500 in additional income, or fraction thereof, the exemption amount is reduced by 2% (\$81 in 2017). Under this formula, the exemption is eliminated when AGI exceeds the income threshold by \$122,500 (\$61,250 if M-S).

In 2017, each state except Pennsylvania and

North Carolina provided a personal exemption or tax credit to adjust for family size. Among the 33 states providing exemptions, the exemption amount was set equal to the federal exemption in eight states. Two other states partially conformed to federal treatment by initially setting each exemption equal to \$4,000, but by adopting a different phase-out (Minnesota) or by not adopting the phase-out (South Carolina). Two states provided higher exemption amounts, and 23 states provided lower exemptions. Nine states provided exemption credits. A tax credit differs from an exemption in that it is subtracted directly from tax liability, rather than used to reduce the amount of income subject to taxation. Personal exemptions and credits for 2017 are shown by state in Table 4. Additional detail is provided in the individual state outlines.

Tax Rates and Brackets

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

The highest marginal tax rate used by a state was 12.3% in California. Missouri had the greatest number of tax brackets at ten. Nine states imposed a single (flat) tax rate on all taxable income, while one state (Massachusetts) had two flat tax rates, each of which applied to different types of income.

Tax Credits

The purpose and structure of tax credits varies between state and federal law and among the states. Tax credits are often provided to offer an

incentive for certain activities or to adjust for certain costs. Tax credits are subtracted from tax liability and are not dependent on the marginal tax rate of the taxpayer. A summary of the major types of tax credits in 2017 and the number of states that provided such credits follows. As indicated in this paper's introductory material, these are credits available to individuals and families, and tax credits available only to business entities are excluded.

Credit for taxes paid to other states.....	42 states
Child/dependent care	23 states
Earned income tax credit*	24 states
Property tax/rent/homestead**.....	19 states
Elderly/disabled.....	14 states
Low-income	13 states

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

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

Other Taxes

Several states impose additional taxes at the time the state income tax return is filed. Major taxes included on the 2017 income tax forms of these states are summarized below.

Use tax	28 states
Tax on early distributions from tax- advantaged savings programs	17 states
Minimum tax	6 states
Local income tax/surcharge	4 states

Table 1: State Taxation of Active Duty Military Pay (Tax Year 2017)

State	Provision
Alabama	Same as federal
Arizona	Exempt, including active service of Reserve and National Guard members
Arkansas	Exempt, including National Guard and Reserve
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 \$6,410 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
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, and full exemption if killed in the line of duty for the year of death and the preceding year
Louisiana	CZE and up to \$30,000 excluded for service outside Louisiana for 120, or more, consecutive days
Maine	CZE, plus exempt if a Maine resident with a permanent duty station outside Maine
Maryland	CZE and exclude up to \$15,000 for service outside U.S. if total military pay is less than \$30,000
Massachusetts	Same as federal
Michigan	Exempt
Minnesota	Exempt
Mississippi	CZE and exempt up to \$15,000 in Reserve and National Guard pay
Missouri	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 and exempt pay for active duty service for National Guard or Reserve members
Ohio	Federal exclusions and subtraction for additional active duty pay and allowances while stationed outside Ohio
Oklahoma	Exempt, including Reserve and National Guard
Oregon	CZE and general exclusion for income earned outside of Oregon; exclude first \$6,000 of active duty pay earned in Oregon and all active duty Guard and Reserve pay under certain conditions
Pennsylvania	Exempt if stationed outside of state
Rhode Island	Same as federal
South Carolina	CZE and exempt Reserve and National Guard training pay
Tennessee	Exempt
Utah	Same as federal
Vermont	CZE plus exclusions for income from full-time active duty outside Vermont, for first \$2,000 of training pay for Reserve and National Guard members with Vermont AGI less than \$50,000, and for funds from federal armed forces education loan repayment
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, and exclusion for active duty pay in year of discharge, provided active duty service equaled at least 30 days
Wisconsin	CZE and exclusions for certain active duty pay of Reserve and National Guard members

Table 2: State Tax Exclusion for Pension/Retirement Income (Tax Year 2017)

State	Private	State & Local	Federal Civilian	Military
Alabama	State Calculation	Most exempt	Exempt	Exempt
Arizona	None	\$2,500	\$2,500	\$2,500
Arkansas	\$6,000	\$6,000	\$6,000	\$6,000
California	None	None	None	None
Colorado	\$20,000/\$24,000	\$20,000/\$24,000	\$20,000/\$24,000	\$20,000/\$24,000
Connecticut	None	None/10% Exempt	None	Exempt
Delaware	\$2,000/\$12,500	\$2,000/\$12,500	\$2,000/\$12,500	\$2,000/\$12,500
District of Columbia	None	None	None	None
Georgia	\$35,000/\$65,000	\$35,000/\$65,000	\$35,000/\$65,000	\$35,000/\$65,000
Hawaii	State Calculation	Exempt	Exempt	Exempt
Idaho	None	\$32,244/\$48,366 ^a	\$32,244/\$48,366	\$32,244/\$48,366
Illinois	State Calculation	Exempt	Exempt	Exempt
Indiana	None	None	\$16,000	\$5,000
Iowa	\$6,000/\$12,000	\$6,000/\$12,000	\$6,000/\$12,000	Exempt
Kansas	None	Some exempt	Exempt	Exempt
Kentucky	\$41,110	\$41,110/Exempt	\$41,110/Exempt	\$41,110/Exempt
Louisiana	\$6,000	\$6,000/Exempt	Exempt	Exempt
Maine	\$10,000	\$10,000	\$10,000	Exempt
Maryland	\$29,900	\$29,900 ^b	\$29,900	\$29,900
Massachusetts	None	Exempt ^c	Exempt ^c	Exempt
Michigan	\$15,000/\$50,509	\$15,000/\$50,509	\$15,000/\$50,509	Exempt
Minnesota	None	None	None	Exempt
Mississippi	Exempt	Exempt	Exempt	Exempt
Missouri	\$6,000	\$37,089	\$37,089	Exempt
Montana	\$4,110	\$4,110	\$4,110	\$4,110
Nebraska	None	None	None	State Calculation
New Hampshire	Exempt	Exempt	Exempt	Exempt
New Jersey	\$20,000/\$40,000	\$20,000/\$40,000	\$20,000/\$40,000	Exempt
New Mexico	None	None	None	None
New York	\$20,000	Exempt	Exempt	Exempt
North Carolina	None	Some exempt	Some exempt	Some exempt
North Dakota	None	None	None	None
Ohio	\$200 credit	\$200 credit	\$200 credit	Exempt
Oklahoma	\$10,000	\$10,000	\$10,000	\$10,000/75%
Oregon	9% credit	9% credit	9% credit/pre-1991 exempt	9% credit/pre-1991 exempt
Pennsylvania	Exempt	Exempt	Exempt	Exempt
Rhode Island	\$15,000	\$15,000	\$15,000	\$15,000
South Carolina	\$3,000/\$10,000	\$3,000/\$10,000	\$3,000/\$10,000	\$8,800/\$21,000
Tennessee	Exempt	Exempt	Exempt	Exempt
Utah	None	None	None	None
Vermont	None	None	None	None
Virginia	None	None	None	Most taxable
West Virginia	None	\$2,000/Exempt	\$2,000	\$22,000
Wisconsin	\$5,000 ^d	State Calculation ^d	State Calculation ^d	Exempt

^a Applies only in the case of certain public safety officials.

^b Optional pension benefits for retired public safety personnel.

^c Only contributory pension income is exempt.

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

Table 3: Standard Deduction by State (Tax Year 2017)

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		\$5,183	\$10,336	\$5,183	\$10,336
Arkansas		\$2,200	\$4,400	\$2,200	\$2,200
California		\$4,236	\$8,472	\$4,236	\$8,472
Colorado		Federal	Federal	Federal	Federal
Connecticut		\$15,000 - \$0	\$24,000 - \$0	\$12,000 - \$0	\$19,000 - \$0
Delaware ^a		\$3,250	\$6,500	\$3,250	\$3,250
District of Columbia		\$5,650	\$10,275	\$5,650	\$7,800
Georgia ^a		\$2,300	\$3,000	\$1,500	\$2,300
Hawaii		\$2,200	\$4,400	\$2,200	\$3,212
Idaho		Federal	Federal	Federal	Federal
Illinois		None	None	None	None
Indiana		None	None	None	None
Iowa		\$2,000	\$4,920	\$2,000	\$4,920
Kansas ^a		\$3,000	\$7,500	\$3,750	\$5,500
Kentucky		\$2,480	\$2,480	\$2,480	\$2,480
Louisiana ^b		\$4,500	\$9,000	\$4,500	\$9,000
Maine ^a		\$11,600	\$23,200	\$11,600	\$17,400
Maryland	15%	\$2,000 - \$1,500	\$4,000 - \$3,000	\$2,000 - \$1,500	\$4,000 - \$3,000
Massachusetts		None	None	None	None
Michigan		None	None	None	None
Minnesota		Federal	Federal	Federal	Federal
Mississippi		\$2,300	\$4,600	\$2,300	\$3,400
Missouri		Federal	Federal	Federal	Federal
Montana	20%	\$4,510 - \$2,000	\$9,020 - \$4,000	\$4,510 - \$2,000	\$9,020 - \$4,000
Nebraska		Federal	Federal	Federal	Federal
New Hampshire		None	None	None	None
New Jersey		None	None	None	None
New Mexico		Federal	Federal	Federal	Federal
New York		\$8,000	\$16,050	\$8,000	\$11,200
North Carolina		\$8,750	\$17,500	\$8,750	\$14,000
North Dakota		Federal	Federal	Federal	Federal
Ohio		None	None	None	None
Oklahoma ^c		Federal	Federal	Federal	Federal
Oregon ^a		\$2,175	\$4,350	\$2,175	\$3,500
Pennsylvania		None	None	None	None
Rhode Island		\$8,375 - \$0	\$16,750 - \$0	\$8,375 - \$0	\$12,550 - \$0
South Carolina		Federal	Federal	Federal	Federal
Tennessee		None	None	None	None
Utah		Federal	Federal	Federal	Federal
Vermont		Federal	Federal	Federal	Federal
Virginia		\$3,000	\$6,000	\$3,000	\$3,000
West Virginia		None	None	None	None
Wisconsin		\$10,380 - \$0	\$19,210 - \$0	\$9,130 - \$0	\$13,400 - \$0

^a Additional amounts if blind or 65 and over.

^b 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.

^c Except no adjustments if blind or 65 and over.

Table 4: Personal Exemptions/Credits by State (Tax Year 2017)

State	Exemption/ Credit	Single	Married-J	Married-S	Head-of- Household	Elderly	Dependent	Handicapped Dependent	Blind--B Deaf--D Disabled--DS
Alabama	Exemption	\$1,500	\$3,000	\$1,500	\$3,000	\$-0-	\$300-\$1,000	\$-0-	\$-0-
Arizona	Exemption	2,150	4,300	2,150	4,300/3,225	2,100	2,300	-0-	B 1,500
Arkansas	Credit	26	52	26	52	26	26	500	B,D 26
California	Credit	114	228	114	114	114	353	-0-	B 114
Colorado	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Connecticut	Credit	0-75%	0-75%	0-75%	0-75%	-0-	-0-	-0-	-0-
Delaware	Credit	110	220	110	110	110	110	-0-	-0-
Dist. of Columbia ^a	Exemption	1,775	3,550	1,775	3,550	1,775	1,775	-0-	B 1,775
Georgia	Exemption	2,700	7,400	3,700	2,700	-0-	3,000	-0-	-0-
Hawaii	Exemption	1,144	2,288	1,144	1,144	1,144	1,144	-0-	B,D,DS 7,000
Idaho	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Illinois ^a	Exemption	2,175	4,350	2,175	2,175	1,000	2,175	-0-	B 1,000
Indiana	Exemption	1,000	2,000	1,000	1,000	1,000	1,500	-0-	B 1,000
Iowa	Credit	40	80	40	80	20	40	-0-	B 20
Kansas	Exemption	2,250	4,500	2,250	4,500	-0-	2,250	-0-	-0-
Kentucky	Credit	10	20	10	10	40	10	-0-	B 40
Louisiana	Exemption	1,000 ^b	2,000 ^b	1,000 ^b		1,000	1,000	-0-	B 1,000
Maine	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Maryland	Exemption	3,200	6,400	3,200	6,400	1,000	3,200	-0-	B 1,000
Massachusetts	Exemption	4,400	8,800	4,400	6,800	700	1,000	-0-	B 2,200
Michigan	Exemption	4,000	8,000	4,000	4,000	-0-	4,000/1,500	-0-	B,D,DS 2,600
Minnesota ^a	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Mississippi	Exemption	6,000	12,000	6,000	8,000	1,500	1,500	-0-	B 1,500
Missouri	Exemption	2,100	4,200	2,100	3,500	-0-	2,200/1,200	-0-	-0-
Montana	Exemption	2,400	4,800	2,400	2,400	2,400	2,400	2,400	B 2,400
Nebraska	Credit	132	264	132	132	-0-	132	-0-	-0-
New Hampshire	Exemption	2,400	4,800	2,400	2,400	1,200	-0-	-0-	B, DS 1,200
New Jersey	Exemption	1,000	2,000	1,000	1,000	1,000	1,500/1,000	-0-	B, DS 1,000
New Mexico ^c	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
New York	Exemption	-0-	-0-	-0-	-0-	-0-	1,000	-0-	-0-
North Carolina	None	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
North Dakota	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Ohio	Exemption	1,800-2,300	3,600-4,600	1,800-2,300	1,800-2,300	-0-	1,800-2,300	-0-	-0-
Oklahoma	Exemption	1,000	2,000	1,000	1,000	1,000	1,000	-0-	B 1,000
Oregon ^a	Credit	197	394	197	197	-0-	197	197	DS 197
Pennsylvania	None	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Rhode Island ^a	Exemption	3,900	7,800	3,900	3,900	-0-	3,900	-0-	-0-
South Carolina ^d	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Tennessee	Exemption	1,250	2,500	1,250	1,250	-0-	-0-	-0-	B Exempt
Utah ^e	Exemption/Cr	3,038	6,076	3,038	3,038	-0-	3,038	3,038	-0-
Vermont	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Virginia	Exemption	930	1,860	930	930	800	930	-0-	B 800
West Virginia	Exemption	2,000	4,000	2,000	2,000	-0-	2,000/500	-0-	-0-
Wisconsin	Exemption	700	1,400	700	700	250	700	-0-	-0-

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

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

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

^d Exemptions are not subject to high-income phase-out, and an additional exemption of \$4,050 is allowed for each child under 6 years of age.

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

Table 5: Tax Rates and Brackets by State (Tax Year 2017)

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	4.54	5	155,160	310,318	155,160	310,318
Arkansas ^a	0.9	6.9	7	77,401	77,401	77,401	77,401
California	1.0	12.3	9	551,474	1,102,947	551,474	750,004
Colorado	4.63	4.63	Flat Rate	---	---	---	---
Connecticut	3.0	6.99	7	500,001	1,000,001	500,001	800,001
Delaware	0.0	6.6	7	60,001	60,001	60,001	60,001
Dist. of Columbia	4.0	8.95	6	1,000,001	1,000,001	1,000,001	1,000,001
Georgia	1.0	6.0	6	7,001	10,001	5,001	10,001
Hawaii	1.4	8.25	9	48,001	96,001	48,001	72,001
Idaho	1.6	7.4	7	11,043	22,086	11,043	22,086
Illinois	4.3549	4.3549	Flat Rate	---	---	---	---
Indiana	3.23	3.23	Flat Rate	---	---	---	---
Iowa	0.36	8.98	9	70,786	70,786	70,786	70,786
Kansas	0.0	5.2	4	30,001	60,001	30,001	30,001
Kentucky	2.0	6.0	6	75,001	75,001	75,001	75,001
Louisiana	2.0	6.0	3	50,001	100,001	50,001	50,001
Maine	5.8	7.15	3	50,000	100,000	50,000	75,000
Maryland	2.0	5.75	8	250,001	300,001	250,001	300,001
Massachusetts ^b	5.1	12.0	Flat Rates	---	---	---	---
Michigan	4.25	4.25	Flat Rate	---	---	---	---
Minnesota	5.35	9.85	4	156,901	261,511	130,761	209,201
Mississippi	3.0	5.0	3	10,001	10,001	10,001	10,001
Missouri	1.5	6.0	10	9,073	9,073	9,073	9,073
Montana	1.0	6.9	7	17,601	17,601	17,601	17,601
Nebraska	2.46	6.84	4	29,831	59,661	29,831	44,231
New Hampshire	5.0	5.0	Flat Rate	---	---	---	---
New Jersey ^c	1.4	8.97	6/7	500,001	500,001	500,001	500,001
New Mexico	1.7	4.9	4	16,001	24,001	12,001	24,001
New York	4.0	8.82	8	1,077,551	2,155,351	1,077,551	1,616,451
North Carolina	5.499	5.499	Flat Rate	---	---	---	---
North Dakota	1.1	2.9	5	416,701	416,701	208,351	416,701
Ohio	0.0	4.997	8	213,351	213,351	213,351	213,351
Oklahoma	0.5	5.0	6	7,201	12,201	7,201	12,201
Oregon	5.0	9.9	4	125,001	250,001	125,001	250,001
Pennsylvania	3.07	3.07	Flat Rate	---	---	---	---
Rhode Island	3.75	5.99	3	139,401	139,401	139,401	139,401
South Carolina	0.0	7.0	6	14,671	14,671	14,671	14,671
Tennessee	4.0	4.0	Flat Rate	---	---	---	---
Utah	5.0	5.0	Flat Rate	---	---	---	---
Vermont	3.55	8.95	5	416,651	416,651	208,326	416,651
Virginia	2.0	5.75	4	17,001	17,001	17,001	17,001
West Virginia	3.0	6.5	5	60,000	60,000	30,000	60,000
Wisconsin	4.0	7.65	4	247,350	329,810	164,900	247,350

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

ALABAMA

Filing System: Joint

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

ARIZONA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																					
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except a 25% exclusion extends to long-term gains on assets acquired after December 31, 2011, and net gains from investments in small businesses are exempt.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public For Arizona state and local pensions, exclusion of up to \$2,500/ taxpayer.</p> <p>--U.S. Civil Service Exclusion of up to \$2,500/taxpayer.</p> <p>--Military Exclusion of up to \$2,500/taxpayer.</p> <p>Active Duty Military Exempt, including active service of Reserve and National Guard members.</p> <p>Unemployment Compensation..... Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except Arizona obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$2,000/taxpayer (\$4,000 MJ/HH) to any state's 529 plan.</p> <p>Lottery Winnings..... Up to \$5,000 from Arizona lottery excluded.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for adoption expenses up to \$3,000, up to \$500 for converting a fireplace to a "qualified" stove or fireplace, crops contributed to charitable organizations, premium costs for long-term care insurance, and deposits into long-term health care savings accounts. In addition, deductions for certain expenses not deducted for federal purposes because taxpayer claimed the following federal credits: work opportunity; empowerment zone employment; Indian employment; and employer-paid social security on cash tips. Exclusions for previously deferred discharge of indebtedness income, original issue discount on the reacquisition of business debt, and sole proprietorship income of an Arizona nonprofit medical marijuana dispensary. Claim of right adjustment.</p>		<p>Standard:</p> <p>Single/Married-S..... \$5,183</p> <p>Married-J/H-H..... 10,336</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Medical Expenses:</u> Expenses are not reduced as a percent of AGI.</p> <p><u>Charitable Contributions:</u> Cannot claim same contributions used for credit.</p> <p><u>Gambling Losses:</u> Adjust to reflect lottery exclusion.</p>																					
TAX RATES AND BRACKETS		EXEMPTIONS																					
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center;">Single/Married-S</th> <th style="text-align: center;">Married Joint/H-H</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$10,346</td> <td style="text-align: center;">\$0 - \$20,690</td> <td style="text-align: center;">2.59%</td> </tr> <tr> <td style="text-align: center;">10,347 - 25,861</td> <td style="text-align: center;">20,691 - 51,721</td> <td style="text-align: center;">2.88</td> </tr> <tr> <td style="text-align: center;">25,862 - 51,721</td> <td style="text-align: center;">51,722 - 103,440</td> <td style="text-align: center;">3.36</td> </tr> <tr> <td style="text-align: center;">51,722 - 155,159</td> <td style="text-align: center;">103,441 - 310,317</td> <td style="text-align: center;">4.24</td> </tr> <tr> <td style="text-align: center;">155,160 and over</td> <td style="text-align: center;">310,318 and over</td> <td style="text-align: center;">4.54</td> </tr> </tbody> </table>		Taxable Income Brackets		Marginal Tax Rates	Single/Married-S	Married Joint/H-H		\$0 - \$10,346	\$0 - \$20,690	2.59%	10,347 - 25,861	20,691 - 51,721	2.88	25,862 - 51,721	51,722 - 103,440	3.36	51,722 - 155,159	103,441 - 310,317	4.24	155,160 and over	310,318 and over	4.54	<p>Single/Married-S..... \$2,150</p> <p>Married-J/Single H-H 4,300</p> <p>M-HH/Married-S with one spouse with at least one dependent 3,225</p> <p>Married-J with at least one dependent 6,450</p> <p>Dependent 2,300</p> <p>Age 65 and over 2,100</p> <p>Blind 1,500</p> <p>Qualifying parents and grandparents 10,000</p>
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<ul style="list-style-type: none"> • Contributions to qualifying charitable organizations • Contributions made or fees paid to public schools • Contributions to private school tuition organizations • Contributions to foster care charitable organizations • Donation of school site 	<ul style="list-style-type: none"> • Donations to the military family relief fund • Family income tax credit • Income taxes paid to other states/countries • Increased excise taxes • Increased research activities • Investment in qualified small businesses • Property tax/rent • Solar energy devices 	<ul style="list-style-type: none"> • Arizona long-term health care savings account withdrawal penalty • Tax from recapture of credits 																					

ARKANSAS

Filing System: Joint/Combined

TAX BASE: STATE ADJUSTED GROSS INCOME	DEDUCTIONS																
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exclusions 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. First \$6,000/taxpayer 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.</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..... Taxable.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Border city (Texarkana) exemption. Deductions for support of a permanently disabled dependent, long-term intergenerational trusts, organ donor expenses, military reserve expenses, and reforestation expenses. Winnings from electronic games of skill are excluded from income but subject to a separate flat tax of 3%.</p>	<p>Standard:</p> <p>Single/Married-S/H-H \$2,200</p> <p>Married-J 4,400</p> <p>Itemized:</p> <p>State itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State income taxes and state and local sales taxes not deductible.</p> <p><u>Medical:</u> Amount exceeding 10% of AGI.</p> <p><u>Other:</u> Deductions for post-secondary education tuition and volunteer firefighter expenses.</p> <p><u>High Income Limitation:</u> Total deductions are not limited.</p>																
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)																
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 60%;">Taxable Income Bracket</th> <th style="text-align: center; width: 40%;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$4,399</td> <td style="text-align: center;">0.9%</td> </tr> <tr> <td style="text-align: center;">4,400 - 8,699</td> <td style="text-align: center;">2.4</td> </tr> <tr> <td style="text-align: center;">8,700 - 13,099</td> <td style="text-align: center;">3.4</td> </tr> <tr> <td style="text-align: center;">13,100 - 21,699</td> <td style="text-align: center;">4.4</td> </tr> <tr> <td style="text-align: center;">21,700 - 36,299</td> <td style="text-align: center;">5.0</td> </tr> <tr> <td style="text-align: center;">36,300 - 77,400</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">77,401 and over</td> <td style="text-align: center;">6.9</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 Income Bracket	Marginal Tax Rates	\$0 - \$4,399	0.9%	4,400 - 8,699	2.4	8,700 - 13,099	3.4	13,100 - 21,699	4.4	21,700 - 36,299	5.0	36,300 - 77,400	6.0	77,401 and over	6.9	<p>Single/Married-S \$26</p> <p>Married-J/H-H..... 52</p> <p>Dependent 26</p> <p>Age 65 or over..... 26</p> <p>Developmentally Disabled</p> <p>Individual 500</p> <p>Blind 26</p> <p>Deaf 26</p> <p>Age 65 special* 26</p>
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NONBUSINESS TAX CREDITS	OTHER TAXES																
<ul style="list-style-type: none"> • Adoption expenses • Child care • Early childhood program • Income taxes paid to other states • Phenylketonuria disorder • Political contributions 	<ul style="list-style-type: none"> • Early withdrawal penalty from IRA and employer qualified retirement plan 																

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

CALIFORNIA

Filing System: Joint*

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																																												
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except no deferral or exclusion for qualified small business stock.</p> <p>Pension/Retirement Income</p> <p>--Private..... Same as federal.</p> <p>--Public..... Same as federal.</p> <p>--U.S. Civil Service..... Same as federal.</p> <p>--Military..... Same as federal.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation..... Exempt.</p> <p>Social Security Benefits..... Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except California obligations.</p> <p>Health Savings Accounts..... Contributions and interest earnings taxable; distributions exempt.</p> <p>Miscellaneous</p> <p>Disability Income..... Same as federal.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings California lottery winnings exempt.</p> <p>Federal Income Taxes..... Not deductible.</p> <p>Other Exclusions for crime hotline rewards, beverage container recycling income, rebates for water and energy conservation, and paid family leave program compensation. Add-back for mortgage forgiveness debt relief and for Olympic medals and prize money. The following federal deductions do not apply: educator expenses, tuition and fees, and domestic production activities. No limitation on ridesharing fringe benefits.</p>	<p>Standard:</p> <p>Single/Married-S\$4,236</p> <p>Married-J/H-H/Qualified Widow/er.....8,472</p> <p>Itemized:</p> <p>State itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State, local, and foreign income taxes, state and local sales taxes, federal estate taxes, and state disability insurance are not deductible.</p> <p><u>Contributions:</u> Limited to 50% of AGI with carryover provision.</p> <p><u>Miscellaneous:</u> Different treatment of investment interest expense and employee business expense. California lottery losses not deductible.</p> <p><u>Other:</u> Legislators' travel expenses are only deductible if incurred while away from home overnight. Adoption-related expenses and mortgage interest used to claim state credits cannot be claimed. Private mortgage insurance not deductible.</p> <p><u>High Income Limitation:</u> Total deductions are limited using California income thresholds.</p>																																												
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)																																												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Single/Married-S</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: left; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> <tr> <th></th> <th style="text-align: center; border-bottom: 1px solid black;">Married Joint</th> <th style="text-align: center; border-bottom: 1px solid black;">Head-of-Household</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$8,223</td> <td style="text-align: center;">\$0 - \$16,446</td> <td style="text-align: center;">\$0 - \$16,457</td> <td style="text-align: center;">1.0%</td> </tr> <tr> <td style="text-align: center;">8,224 - 19,495</td> <td style="text-align: center;">16,447 - 38,990</td> <td style="text-align: center;">16,458 - 38,991</td> <td style="text-align: center;">2.0</td> </tr> <tr> <td style="text-align: center;">19,496 - 30,769</td> <td style="text-align: center;">38,991 - 61,538</td> <td style="text-align: center;">38,992 - 50,264</td> <td style="text-align: center;">4.0</td> </tr> <tr> <td style="text-align: center;">30,770 - 42,711</td> <td style="text-align: center;">61,539 - 85,422</td> <td style="text-align: center;">50,265 - 62,206</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">42,712 - 53,980</td> <td style="text-align: center;">85,423 - 107,960</td> <td style="text-align: center;">62,207 - 73,477</td> <td style="text-align: center;">8.0</td> </tr> <tr> <td style="text-align: center;">53,981 - 275,738</td> <td style="text-align: center;">107,961 - 551,476</td> <td style="text-align: center;">73,478 - 375,002</td> <td style="text-align: center;">9.3</td> </tr> <tr> <td style="text-align: center;">275,739 - 330,884</td> <td style="text-align: center;">551,477 - 661,768</td> <td style="text-align: center;">375,003 - 450,003</td> <td style="text-align: center;">10.3</td> </tr> <tr> <td style="text-align: center;">330,885 - 551,473</td> <td style="text-align: center;">661,769 - 1,102,946</td> <td style="text-align: center;">450,004 - 750,003</td> <td style="text-align: center;">11.3</td> </tr> <tr> <td style="text-align: center;">551,474 and over</td> <td style="text-align: center;">1,102,947 and over</td> <td style="text-align: center;">750,004 and over</td> <td style="text-align: center;">12.3</td> </tr> </tbody> </table>	Single/Married-S	Taxable Income Brackets		Marginal Tax Rates		Married Joint	Head-of-Household		\$0 - \$8,223	\$0 - \$16,446	\$0 - \$16,457	1.0%	8,224 - 19,495	16,447 - 38,990	16,458 - 38,991	2.0	19,496 - 30,769	38,991 - 61,538	38,992 - 50,264	4.0	30,770 - 42,711	61,539 - 85,422	50,265 - 62,206	6.0	42,712 - 53,980	85,423 - 107,960	62,207 - 73,477	8.0	53,981 - 275,738	107,961 - 551,476	73,478 - 375,002	9.3	275,739 - 330,884	551,477 - 661,768	375,003 - 450,003	10.3	330,885 - 551,473	661,769 - 1,102,946	450,004 - 750,003	11.3	551,474 and over	1,102,947 and over	750,004 and over	12.3	<p>Single/H-H/Married-S.....\$114</p> <p>Married-J228</p> <p>Dependent.....353</p> <p>Age 65 or older.....114</p> <p>Blind114</p> <p>Credits limited at higher incomes.</p>
Single/Married-S	Taxable Income Brackets		Marginal Tax Rates																																										
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<ul style="list-style-type: none"> • Child adoption • Child and dependent care expenses • Claim of right • College access • Dependent parent • Earned income 	<ul style="list-style-type: none"> • Income taxes paid to other states • Joint custody head-of-household • Natural heritage preservation • Nonrefundable renters • Prior year alternative minimum tax • Senior head-of-household 																																												
	<ul style="list-style-type: none"> • Alternative minimum tax • Credit recapture • Mental health services tax • Taxes on early distributions from qualified retirement plans and other tax-favored accounts • Use tax 																																												

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

** Tax credits may be limited at higher incomes.

COLORADO

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses 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.</p> <p>Pension/Retirement Income</p> <p>--Private Exclude \$20,000/person (if 55-64); \$24,000/person (65 and older).</p> <p>--Public Exclude \$20,000/person (if 55-64); \$24,000/person (65 and older).</p> <p>--U.S. Civil Service Exclude \$20,000/person (if 55-64); \$24,000/person (65 and older).</p> <p>--Military Exclude \$20,000/person (if 55-64); \$24,000/person (65 and older).</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits If aged 55-64, up to \$20,000/person of federally taxable benefits excluded; up to \$24,000/person if 65 or older. Maximum amounts are combined limits for pension income and federally taxed social security.</p> <p>State/Municipal Bond Interest Taxable, except obligations of Colorado or its political subdivisions.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions (no limit) to Colorado's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for up to \$2,500 of wildfire mitigation costs, for contributions of up to \$3,000 to medical savings accounts, for business expenses for Colorado-licensed marijuana businesses, and for up to \$25,000 for agricultural asset lease. For taxpayers who claim the standard deduction for federal tax purposes, deduction for charitable contributions in excess of \$500 that could have been claimed as federal itemized deductions. Exclusion for income from interest earnings from first time home buyer savings accounts and for non-resident disaster relief compensation.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences From Federal Law: <u>Taxes:</u> State income taxes not deductible.</p>
TAX RATES AND BRACKETS	EXEMPTIONS
4.63% of Colorado taxable income.	Same as federal.
NONBUSINESS TAX CREDITS	OTHER TAXES
<ul style="list-style-type: none"> • Alternative minimum tax • Child care expenses • Child care contribution • Conservation easement • Earned income • Food contributed to hunger relief charitable organizations 	<ul style="list-style-type: none"> • Historic property preservation • Income taxes paid to another state • Innovative motor vehicle • Long-term care insurance • Rural and frontier health care preceptor • School-to-career investment

CONNECTICUT

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																																																																							
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend..... Exempts U.S. government bonds.</p> <p>Capital Gains & Losses..... Gains/losses from the sale of Connecticut state and local bonds are subtracted/added back.</p> <p>Pension/Retirement Income</p> <p>--Private..... Same as federal.</p> <p>--Public..... Same as federal, except exclusion equal to 10% of Connecticut teachers' retirement pay.</p> <p>--U.S. Civil Service..... Same as federal.</p> <p>--Military..... Exempt.</p> <p>Active Duty Military..... Same as federal, plus all income exempt if combat zone death.</p> <p>Unemployment Compensation..... Same as federal.</p> <p>Social Security Benefits..... Exempt if income is below \$50,000 (\$60,000 MJ/HH); partially taxable if higher income.</p> <p>State/Municipal Bond Interest..... Taxable except Connecticut obligations.</p> <p>Health Savings Accounts..... Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income..... Same as federal.</p> <p>College Savings Plans..... Same as federal, plus deduction for contributions up to \$5,000/taxpayer to Connecticut's plan.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes..... Not deductible.</p> <p>Other..... 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>Standard: Sliding scale standard deduction.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Filing Status</th> <th style="text-align: left;">Standard Deduction</th> <th style="text-align: left;">Income Range for Deduction Phase-Out</th> </tr> </thead> <tbody> <tr> <td>Single</td> <td>\$15,000</td> <td>\$30,000 - \$44,000</td> </tr> <tr> <td>H-H</td> <td>19,000</td> <td>38,000 - 56,000</td> </tr> <tr> <td>Married-J</td> <td>24,000</td> <td>48,000 - 71,000</td> </tr> <tr> <td>Married-S</td> <td>12,000</td> <td>24,000 - 35,000</td> </tr> </tbody> </table> <p>Itemized: None.</p>	Filing Status	Standard Deduction	Income Range for Deduction Phase-Out	Single	\$15,000	\$30,000 - \$44,000	H-H	19,000	38,000 - 56,000	Married-J	24,000	48,000 - 71,000	Married-S	12,000	24,000 - 35,000																																																								
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Married-S	50,250 - 72,750	20 - 200	200,000 - 540,000	90 - 3,150																																																																				
Filing Status	Income Range for Credit Phase-Out																																																																							
Single	\$15,000 - \$64,500																																																																							
Head-of-Household	19,000 - 78,500																																																																							
Married-J	24,000 - 100,500																																																																							
Married-S	12,000 - 52,500																																																																							
NONBUSINESS TAX CREDITS	OTHER TAXES																																																																							
<ul style="list-style-type: none"> • Angel investor • Claim of right • Earned income • Income tax paid to other jurisdictions 	<ul style="list-style-type: none"> • Insurance reinvestment fund • Prior year alternative minimum tax • Property tax on primary residence and motor vehicle 																																																																							
<ul style="list-style-type: none"> • Alternative minimum tax • Use tax 																																																																								

DELAWARE

Filing System: Joint/Combined

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

DISTRICT OF COLUMBIA

Filing System: Joint/Combined*

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. 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 Same as federal. Active Duty Military Same as federal. Unemployment Compensation..... Same as federal. Social Security Benefits Exempt. State/Municipal Bond Interest..... Exempt. Health Savings Accounts Same as federal. Miscellaneous Disability Income Up to \$5,200 exempt. College Savings Plans Same as federal, plus deduction for contributions up to \$4,000/taxpayer to the D.C. savings plan, provided the taxpayer is the account owner. Lottery Winnings..... Same as federal. Federal Income Taxes Not deductible. 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>Standard: Single/Married-S..... \$5,650 H-of-Household 7,800 Married-J..... 10,275</p> <p>Itemized: Same as federal. Taxpayers who itemize for federal purposes must itemize on their D.C. return.</p> <p>Major Differences from Federal Law: <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														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;"><u>Taxable Income Bracket</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Marginal Tax Rates</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$10,000</td> <td style="text-align: center;">4.00%</td> </tr> <tr> <td style="text-align: center;">10,001 - 40,000</td> <td style="text-align: center;">6.00</td> </tr> <tr> <td style="text-align: center;">40,001 - 60,000</td> <td style="text-align: center;">6.50</td> </tr> <tr> <td style="text-align: center;">60,001 - 350,000</td> <td style="text-align: center;">8.50</td> </tr> <tr> <td style="text-align: center;">350,001 - 1,000,000</td> <td style="text-align: center;">8.75</td> </tr> <tr> <td style="text-align: center;">1,000,001 and over</td> <td style="text-align: center;">8.95</td> </tr> </tbody> </table>	<u>Taxable Income Bracket</u>	<u>Marginal Tax Rates</u>	\$0 - \$10,000	4.00%	10,001 - 40,000	6.00	40,001 - 60,000	6.50	60,001 - 350,000	8.50	350,001 - 1,000,000	8.75	1,000,001 and over	8.95	<p>Single/Married-S..... \$1,775 Married-J/H-H 3,550 Dependent 1,775 Age 65 or over 1,775 Blind..... 1,775</p> <p>Phase-out of 2% per \$2,500, or a fraction thereof, of AGI exceeding \$150,000; phase-out completed at \$275,000 AGI.</p>
<u>Taxable Income Bracket</u>	<u>Marginal Tax Rates</u>														
\$0 - \$10,000	4.00%														
10,001 - 40,000	6.00														
40,001 - 60,000	6.50														
60,001 - 350,000	8.50														
350,001 - 1,000,000	8.75														
1,000,001 and over	8.95														
NONBUSINESS TAX CREDITS	OTHER TAXES														
<ul style="list-style-type: none"> • Alternative fuel vehicle (2) • Child and dependent care • D.C. government employee first-time homebuyer • Earned income • Earned income for childless workers • Earned income for non-custodial parents • Food commodity donation • Income taxes paid to another state • Low-income • Property tax/rent 	<p>None.</p>														

*Registered domestic partners may file a joint return, file separately on the same return, or file separately using the single 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 & Losses Same as federal.</p> <p>Pension/Retirement Income</p> <p>--Private See retirement exclusion under "Other".</p> <p>--Public See retirement exclusion under "Other".</p> <p>--U.S. Civil Service See retirement exclusion under "Other".</p> <p>--Military See retirement exclusion under "Other".</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation..... Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except Georgia obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income See disability exclusion under "Other".</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$2,000 per beneficiary to Georgia's plan.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Retirement exclusion of up to \$65,000/person if 65 or older and up to \$35,000/person if 62 to 64 or permanently disabled extends to most types of income, including up to \$4,000 of earned income. Exclusion for dependent's unearned income included in parent's federal AGI and \$1,000 for each clerkship, up to \$10,000, provided by a physician, physician assistant, or nurse practitioner. Deductions for expenses related to organ donation and amounts claimed for federal jobs tax credit.</p>		<p>Standard:</p> <p>Single/H-H \$2,300</p> <p>Married-J 3,000</p> <p>Married-S 1,500</p> <p>Age 65 or over or blind 1,300</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State income taxes other than Georgia's not deductible.</p> <p><u>Interest:</u> Investment interest for the production of exempt income is not allowed.</p>																																
TAX RATES AND BRACKETS		EXEMPTIONS																																
<table style="margin: auto; border-collapse: collapse;"> <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;">Married-S</th> <th style="text-align: center;">Married-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;">6</td> </tr> </tbody> </table>		Taxable Income Brackets			Marginal	Single	Married-S	Married-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	6	<p>Single/H-H \$2,700</p> <p>Married-S 3,700</p> <p>Married-J 7,400</p> <p>Dependent 3,000</p>
Taxable Income Brackets			Marginal																															
Single	Married-S	Married-J/H-H	Tax Rate																															
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7,001 and over	5,001 and over	10,001 and over	6																															
NONBUSINESS TAX CREDITS		OTHER TAXES																																
<ul style="list-style-type: none"> • Adoption of a foster child • Caregiving expense • Child and dependent care expense • Clean energy property • Disabled person home purchase or retrofit • Disaster assistance • Driver education • Historic rehabilitation 	<ul style="list-style-type: none"> • Income taxes paid to another state • Land conservation • Low-income • National Guard/Air National Guard • Qualified education expense • Rural physicians • Seed-capital fund 	<p>None.</p>																																

HAWAII

Filing System: Joint*

TAX BASE: FEDERAL ADJUSTED GROSS INCOME				DEDUCTIONS
<u>Major Differences from Federal Law</u>				
Interest/Dividend	Exempts U.S. government bonds.			Standard:
Capital Gains & Losses	Alternative tax on capital gains.			Single/Married-S \$2,200
Pension/Retirement Income				Married-J..... 4,400
--Private	Exempt if employer funded.			Head-of-Household 3,212
--Public	Exempt.			Itemized:
--U.S. Civil Service	Exempt.			Federal itemized deductions.
--Military	Exempt.			
Active Duty Military	CZE and exempt up to \$6,410 for Reserve and National Guard members.			Major Differences from Federal Law:
Unemployment Compensation.....	Same as federal.			<u>State and Local Income Taxes:</u>
Social Security Benefits	Exempt.			Deduction may not be claimed if federal AGI is \$100,000 or more if S or M-S, \$150,000 or more if HH, or \$200,000 or more if MJ.
State/Municipal Bond Interest.....	Taxable except Hawaii obligations.			<u>Medical and Dental:</u> Deduction of expenses exceeding 10% of Hawaii AGI.
Health Savings Accounts	Same as federal.			<u>Casualty and Theft Losses and Miscellaneous:</u> Limitations are based on Hawaii AGI.
Miscellaneous				<u>High Income Limitation:</u> Total itemized deductions are limited if Hawaii AGI exceeds certain thresholds.
Disability Income	Same as federal.			
College Savings Plans	Same as federal.			
Lottery Winnings.....	Same as federal.			
Federal Income Taxes	Not deductible.			
Other	Deductions for payments to individual housing accounts and for earnings on individual housing and individual development accounts. Deductions for certain income from high technology business, qualified expenditures for exceptional trees, and compensation earned by patients with Hansen's disease. Peace Corps compensation and income from temporary employment outside of the U.S. are taxable, and the federal higher education expense deduction is an addition to income. 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.			
TAX RATES AND BRACKETS				EXEMPTIONS
<u>Taxable Income Brackets</u>			<u>Marginal Tax Rates</u>	
<u>Single/Married-S</u>	<u>Married Joint</u>	<u>Head-of-Household</u>		Single/H-H/Married-S\$1,144
\$0 - \$2,400	\$0 - \$4,800	\$0 - \$3,600	1.40%	Married-J.....2,288
2,401 - 4,800	4,801 - 9,600	3,601 - 7,200	3.20	Age 65 or over1,144
4,801 - 9,600	9,601 - 19,200	7,201 - 14,400	5.50	Dependent1,144
9,601 - 14,400	19,201 - 28,800	14,401 - 21,600	6.40	Blind, deaf, or totally disabled 7,000*
14,401 - 19,200	28,801 - 38,400	21,601 - 28,800	6.80	
19,201 - 24,000	38,401 - 48,000	28,801 - 36,000	7.20	
24,001 - 36,000	48,001 - 72,000	36,001 - 54,000	7.60	
36,001 - 48,000	72,001 - 96,000	54,001 - 72,000	7.90	
48,001 and over	96,001 and over	72,001 and over	8.25	
NONBUSINESS TAX CREDITS				OTHER TAXES
<ul style="list-style-type: none"> • Cesspool upgrade, conversion, or connection • Child and dependent care expenses • Child passenger restraint systems • Food excise 		<ul style="list-style-type: none"> • Important agricultural land qualified agricultural cost • Income taxes paid to other states/countries • Low-income household renter • Renewable energy technologies 		<ul style="list-style-type: none"> • Alternative tax on capital gains (beneficial tax treatment)

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

IDAHO

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																											
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempt U.S. government bonds.</p> <p>Capital Gains & Losses 60% exclusion for long-term gains from the sale of certain real and tangible personal Idaho property.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Certain police and firemen--exclude \$32,244 single or \$48,366 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 \$32,244 single or \$48,366 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 \$32,244 single or \$48,366 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 MSA, adoption expenses, and payments for health, long-term care, and self-employed worker's compensation insurance.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income and sales taxes not deductible.</p>																											
TAX RATES AND BRACKETS	EXEMPTIONS																											
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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"> • Claim of right • Contributions to educational entities • Contributions to youth and rehabilitation facilities • Grocery • Income taxes paid to other states • Live organ donation expenses • Maintaining home for family member with a developmental disability or over age 65 	<ul style="list-style-type: none"> • Fuels tax • Permanent building fund tax • Penalties on MSAs • Recapture of certain Idaho business credits and investment exemption • Sales and use tax due 																											

ILLINOIS

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except exempts certain gains on employer securities.</p> <p>Pension/Retirement Income*</p> <p>--Private Exempt if from a qualified employee benefit plan 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 to Illinois' plans.</p> <p>Lottery Winnings Same as federal, but no deduction for gambling losses.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for river edge redevelopment zone and high impact business dividends, contributions to certain job training projects, expenses related to certain federal credits and federally tax-exempt income, interest on investments through the home ownership made easy program, ridesharing money, amounts received as accelerated payments of life, endowment, or annuity benefits as indemnity for terminal illness, unjust imprisonment compensation, and education loan repayments of certain primary care physicians.</p>		<p>Standard: None.</p> <p>Itemized: None.</p>
TAX RATES AND BRACKETS		EXEMPTIONS
<p style="text-align: center;">4.3549% of taxable net income</p> <p style="text-align: center;">Illinois changed its tax rate from 3.75% to 4.95%, effective July 1, 2017. Based on these rates, the above rate is a "blended" rate used by calendar year 2017 filers.</p>		<p>Each federal exemption\$2,175</p> <p>Age 65 or over1,000</p> <p>Blind.....1,000</p> <p>Dependent2,175</p> <p>Exemptions not allowed if federal AGI exceeds \$250,000, \$500,000 if MJ</p>
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> • Affordable housing donations • Angel investment • Earned income • Homeowner's property tax 	<ul style="list-style-type: none"> • Income taxes paid to other states • New markets • K-12 education expenses 	<ul style="list-style-type: none"> • Compassionate use of medical cannabis pilot program act surcharge • Household employment tax • Use tax

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

INDIANA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS
<u>Major Differences from Federal Law</u>		
Interest/Dividend	Exempts U.S. government bonds.	Standard: None. Itemized: None.
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.	
--Military	Up to \$5,000 in retirement pay and survivor's benefits exempt if 60 or over.	
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.	
Unemployment Compensation.....	Exclusion of up to \$12,000 S/\$18,000 MJ based on federal AGI.	
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.	
College Savings Plans	Same as federal, plus state tax credit.	
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 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, and private school and homeschool expenses.	
TAX RATES AND BRACKETS		EXEMPTIONS
3.23% of adjusted gross income.		Each federal exemption\$1,000 Certain dependent children.....1,500 Blind or 65 or over.....1,000 65 or over and low-income.....500
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> • Adoption • Community revitalization enhancement district • Contributions to Indiana's 529 savings plan • Donation to Indiana college or university • Earned income • Income taxes paid to other states and localities • Individual development account 	<ul style="list-style-type: none"> • Lake County residential income tax • Neighborhood assistance • Public school educator expense • Residential historic rehabilitation • School scholarship program contributions • Unified tax credit for low-income elderly • Venture capital investment 	<ul style="list-style-type: none"> • County income tax • Household employment tax • Recapture Indiana 529 tax credit • Use tax

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

IOWA

Filing System: Joint/Combined

TAX BASE: STATE ADJUSTED GROSS INCOME		DEDUCTIONS																								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses 100% exclusion for qualifying capital gains on certain business and farm assets and from involuntary conversions related to eminent domain; 50% exclusion of gain from sale of employer securities of an Iowa corporation to a qualified Iowa employee stock ownership plan.</p> <p>Pension/Retirement Income*</p> <p>--Private Up to \$6,000 (\$12,000 M-J) exempt, if 55 or over or disabled.</p> <p>--Public Up to \$6,000 (\$12,000 M-J) exempt, if 55 or over or disabled.</p> <p>--U.S. Civil Service Up to \$6,000 (\$12,000 M-J) exempt, if 55 or over or disabled.</p> <p>--Military Exempt, 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 taxpayer's contributions up to \$3,239 per beneficiary to Iowa's plans.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes Deductible.</p> <p>Other Deductions for: gains or losses on distressed sale transactions; income received by nonresidents for emergency response work; amounts claimed for federal work opportunity, alternative motor vehicle, employer social security, and alcohol fuel credits; health and dental insurance premiums; in-home health care expenses; organ donor transplant expenses; contributions to Iowa injured veterans program; certain veterans' bonuses and grants; claim of right; and victim compensation awards. Low-income exemption.</p> <p style="font-size: small;">*No tax or penalty on distributions from retirement plans by National Guard members or reservists called to active duty.</p>		<p>Standard:</p> <p>Single/Married-S\$2,000</p> <p>Married-J/H-H4,920</p> <p>Itemized:</p> <p>Same as federal.</p> <p>Major Differences From Federal Law:</p> <p><u>Medical Expenses:</u> No deduction for health and dental insurance premiums already deducted from Iowa income. Expenses are limited to the extent they exceed 10% of AGI.</p> <p><u>Taxes:</u> Iowa income tax and sales and use tax are not deductible.</p> <p><u>Charitable:</u> No deduction for contributions claimed as Iowa subtractions or credits.</p> <p><u>High Income Limitation:</u> Deductions are limited using federal thresholds.</p> <p><u>Miscellaneous:</u> Deductions not subject to high income limitation 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 - \$1,573</td> <td style="text-align: center;">0.36%</td> <td style="text-align: center;">\$14,158 - \$23,595</td> <td style="text-align: center;">6.12%</td> </tr> <tr> <td style="text-align: center;">1,574 - 3,146</td> <td style="text-align: center;">0.72</td> <td style="text-align: center;">23,596 - 31,460</td> <td style="text-align: center;">6.48</td> </tr> <tr> <td style="text-align: center;">3,147 - 6,292</td> <td style="text-align: center;">2.43</td> <td style="text-align: center;">31,461 - 47,190</td> <td style="text-align: center;">6.80</td> </tr> <tr> <td style="text-align: center;">6,293 - 14,157</td> <td style="text-align: center;">4.50</td> <td style="text-align: center;">47,191 - 70,785</td> <td style="text-align: center;">7.92</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">70,786 and over</td> <td style="text-align: center;">8.98</td> </tr> </tbody> </table>	Taxable Income Bracket	Marginal Tax Rates	Taxable Income Bracket	Marginal Tax Rates	\$0 - \$1,573	0.36%	\$14,158 - \$23,595	6.12%	1,574 - 3,146	0.72	23,596 - 31,460	6.48	3,147 - 6,292	2.43	31,461 - 47,190	6.80	6,293 - 14,157	4.50	47,191 - 70,785	7.92			70,786 and over	8.98	<p>Single/Married-S\$40</p> <p>Married-J/H-H 80</p> <p>Blind20</p> <p>Age 65 or Over20</p> <p>Dependent40</p>	
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NONBUSINESS TAX CREDITS		OTHER TAXES																								
<ul style="list-style-type: none"> • Adoption • Agricultural assets transfer • Alternative minimum tax • Charitable conservation contribution • Child and dependent care • Claim of right • Custom farming contract • Earned income • Early childhood development • Endow Iowa (endowment gifts) • Geothermal heat pump • Historic preservation 	<ul style="list-style-type: none"> • Housing investment • Income taxes paid to other states/countries • Innovation fund • Nonresident and part-year resident • Renewable energy • School tuition organization • Solar energy system • Tuition and textbook for K-12 dependents • Venture capital (3 separate credits) • Volunteer firefighter/EMS/reserve peace officer 	<ul style="list-style-type: none"> • Alternate tax (may reduce tax liability) • Emergency medical services surtax* • Iowa alternative minimum tax • Lump-sum tax • School district surtax* <p style="font-size: small;">*These surtaxes are optional and imposed at the discretion of counties and school districts.</p>																								

KANSAS

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																				
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds and dividends from Kansas Venture Capital, Inc.</p> <p>Capital Gains & Losses Gains from the sale of certain Kansas bonds 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 MJ) to any state's 529 plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Addition for employee contributions to public employee retirement system 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; and for organ donation expenses.</p>	<p>Standard:</p> <p style="text-align: right;">Added</p> <p style="text-align: right;"><u>Amount if:</u></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 15%;"></th> <th style="width: 15%; text-align: center;"><u>Age 65</u></th> <th style="width: 15%; text-align: center;"><u>Blind</u></th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: right;">\$3,000</td> <td style="text-align: right;">\$850</td> <td style="text-align: right;">\$850</td> </tr> <tr> <td>Married-J</td> <td style="text-align: right;">7,500</td> <td style="text-align: right;">700</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Married-S</td> <td style="text-align: right;">3,750</td> <td style="text-align: right;">700</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Head-of-Household</td> <td style="text-align: right;">5,500</td> <td style="text-align: right;">850</td> <td style="text-align: right;">850</td> </tr> </tbody> </table> <p>Itemized: State itemized deductions.</p> <p>Major Differences from Federal Law: Deductions are limited to 50% of real and personal property taxes, 50% of residential interest and mortgage insurance premiums, and gifts to charity, all as claimed as federal itemized deductions. State income taxes and state and local sales taxes not deductible. No high income limitation.</p>			<u>Age 65</u>	<u>Blind</u>	Single	\$3,000	\$850	\$850	Married-J	7,500	700	700	Married-S	3,750	700	700	Head-of-Household	5,500	850	850
		<u>Age 65</u>	<u>Blind</u>																		
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<u>Married Joint</u>	<u>Single/Married-S/ Head-of-Household</u>	<u>Marginal Tax Rates</u>																			
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NONBUSINESS TAX CREDITS	OTHER TAXES																				
<ul style="list-style-type: none"> • Adoption • Angel investor • Center for entrepreneurship • Community service contribution • Deferred maintenance • Disable access • Earned income • Food sales tax 	<ul style="list-style-type: none"> • Historic preservation • Historic site contribution • Income taxes paid to other states • Individual development account • Low income students scholarship • Petroleum refinery • Qualifying pipeline • Rural opportunity zone 																				
<ul style="list-style-type: none"> • Lump sum distribution • Use tax 																					

KENTUCKY

Filing System: Joint/Combined

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Gains on Kentucky Turnpike bonds and property taken by eminent domain are exempt.</p> <p>Pension/Retirement Income</p> <p>--Private Exclude up to \$41,110.</p> <p>--Public Exempt if retired before 1998; full exclusion up to \$41,110 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.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for long-term care and health insurance premiums, income from training or working at election booths, charitable contributions of leasehold interests, and artistic contributions not claimed as state itemized deduction. Tobacco settlement income is exempt. Deduction for amount claimed for federal work opportunity and welfare to work credits. A child's unearned income may not be reported on a parent's return.</p>	<p>Standard: All \$2,480</p> <p>Itemized: State itemized deductions.</p> <p>Major Differences from Federal Law: <u>Medical:</u> Deduct medical expenses over 10.0% of Kentucky AGI. <u>Taxes:</u> State income taxes and state and local sales taxes not deductible. <u>Interest:</u> Limitation for mortgage insurance premiums based on Kentucky AGI. <u>High Income Limitation:</u> Deductions for taxes, non-investment interest expenses, contributions, job expenses, and other miscellaneous expenses, but not gambling losses, are limited if income exceeds \$186,350 (\$93,175 if M-S).</p>														
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)														
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<u>Taxable Income Brackets</u>	<u>Marginal Tax Rates</u>														
\$0 - \$3,000	2.0%														
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75,001 and over	6.0														
NONBUSINESS TAX CREDITS	OTHER TAXES														
<ul style="list-style-type: none"> • Angel investor • Certified rehabilitation • Child and dependent care • Education tuition • Endow Kentucky • Family size 	<ul style="list-style-type: none"> • Food donation • Income taxes paid to other states • Kentucky National Guard members • Kentucky investment fund • New markets development program • Recycling and/or composting equipment 														
<ul style="list-style-type: none"> • Lump sum distributions • Use tax 															

LOUISIANA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS															
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Deduction for net gain from the sale of a Louisiana-domiciled business 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 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, plus deduction for contributions up to \$2,400 per taxpayer (\$4,800 MJ) to the Louisiana savings plan, provided the taxpayer is the account owner.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes..... Deductible, including 3.8% tax on net investment income.</p> <p>Other Exclusion for shareholder income from a bank organized as an S corporation. Deductions for the following: 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 hurricane recovery entity.</p>	<p>Standard:</p> <p>Single/Married-S* \$4,500</p> <p>Married-J/H-H* 9,000</p> <p>*Combined standard deduction and personal exemption amounts, which are built into tax tables.</p> <p>Itemized:</p> <p>In addition to the state standard deduction, taxpayers who itemize deductions for federal tax purposes may deduct the excess of federal itemized deductions (after the federal income limitation) over the federal standard deduction.</p>															
	EXEMPTIONS															
	<p>Single/H-H/Married-S* \$1,000</p> <p>Married-J* 2,000</p> <p>Dependent 1,000</p> <p>Blind 1,000</p> <p>Age 65 or over 1,000</p> <p>*These amounts are included in the combined standard deduction/personal exemptions shown above.</p>															
TAX RATES AND BRACKETS	OTHER TAXES															
<table border="1" style="margin: auto; 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;">Single/M-S/H-H</th> <th style="text-align: center;">Married-J</th> <th style="text-align: center;">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	Married-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	<p>• Use tax</p>
Taxable Income Brackets		Marginal														
Single/M-S/H-H	Married-J	Tax Rates														
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50,001 and over	100,001 and over	6														
NONBUSINESS TAX CREDITS																
<ul style="list-style-type: none"> • Angel investor • Brownfields investor • Bulletproof vest • Capital company • Child care • Contributions of technological equipment to educational institutions • Conversion of vehicle to alternative fuel • Digital interactive media • Disabilities • Earned income • Family responsibility program contributions • Historic residential/historic structures • Household expense for physically and mentally incapable persons • Hunting and fishing licenses for service members • Income taxes paid to other states • Law enforcement education • LA citizens property insurance assessment 	<ul style="list-style-type: none"> • LA community development financial institutions • LA community economic development • Motion picture investment • New markets • Organ donation • Owner of newly-constructed accessible home • Partial federal credits (elderly, foreign tax, investment tax, residential energy, and jobs) • Port of Louisiana investor • Prison industry enhancement • Qualified playground donations • School readiness (3) • Small town doctor/dentist • Solar energy systems if leased • Technology commercialization • Urban revitalization 															

MAINE

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																				
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal except gains from the sale of Maine Waste Management and Recycling Program bonds and investment income from the Northern Maine Transmission Corp. are exempt.</p> <p>Pension/Retirement Income Exclude: --Private Up to \$10,000, less social security and railroad retirement benefits. --Public Up to \$10,000, less social security and railroad retirement benefits. --U.S. Civil Service Up to \$10,000, less social security and railroad retirement benefits. --Military Exempt.</p> <p>Active Duty Military CZE, plus exempt if a Maine resident with a permanent duty station 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 proceeds from family development (low-income) accounts and earnings from fishing operations contributed to a capital construction fund. A deduction related to the federal work opportunity and empowerment zone tax credits is available. Contributions to state retirement system are taxable.</p>	<p>Standard:</p> <p>Single/Married-S \$11,600 Head-of-Household 17,400 Married-J 23,200</p> <p>Additional deduction for age 65 or over or blind: Single/H-H \$1,550 Married 1,250</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State income and sales taxes not deductible. <u>Interest and Other Expenses:</u> Cannot deduct interest and other expenses incurred in producing income not subject to Maine taxation. <u>High Income Limitation:</u> Total itemized deductions limited to \$28,600. Standard and itemized deductions phase out between the following thresholds based on Maine AGI:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Filing Status</td> <td style="text-align: center;">Income Range for Phase-Out</td> </tr> <tr> <td style="text-align: center;">Single, Married-S</td> <td style="text-align: center;">\$70,000 - \$145,000</td> </tr> <tr> <td style="text-align: center;">Head-of-Household</td> <td style="text-align: center;">105,000 - 217,500</td> </tr> <tr> <td style="text-align: center;">Married-J</td> <td style="text-align: center;">140,000 - 290,000</td> </tr> </table>	Filing Status	Income Range for Phase-Out	Single, Married-S	\$70,000 - \$145,000	Head-of-Household	105,000 - 217,500	Married-J	140,000 - 290,000												
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NONBUSINESS TAX CREDITS	OTHER TAXES																				
<ul style="list-style-type: none"> • AccessAble home • Adult dependent care • Child and dependent care • Earned income tax credit • Educational opportunity • Dental care access • Dual residence • Fish hatchery infrastructure • Historic rehabilitation 	<ul style="list-style-type: none"> • Income tax paid to other jurisdictions • New markets • Primary care access • Property tax fairness • Nonresident credit including "safe harbor" for certain residents spending significant time out-of-state • Sales tax fairness • Seed capital 																				
<ul style="list-style-type: none"> • Sales tax on casual rentals of living quarters • Tax credit recapture • Use tax 																					

MARYLAND

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, plus exempts profit from Maryland bond sales.</p> <p>Pension/Retirement Income*</p> <p style="padding-left: 20px;">--Private Up to \$29,900/person excluded (65 or over or disabled).</p> <p style="padding-left: 20px;">--Public Up to \$29,900/person excluded (65 or over or disabled); optional exclusions for retired law enforcement, fire, rescue, or EMS personnel.</p> <p style="padding-left: 20px;">--U.S. Civil Service Up to \$29,900/person excluded (65 or over or disabled).</p> <p style="padding-left: 20px;">--Military Up to \$29,900/person excluded (65 or over or disabled). Additional exemption of \$5,000 (\$10,000 if 65 or older) in military retirement income.</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..... Same as federal.</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 style="padding-left: 20px;">Disability Income Exempt for job related injuries for police and firefighters.</p> <p style="padding-left: 20px;">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 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 child and dependent care expenses, unreimbursed foster care expenses, adoption expenses, use of vehicle for charitable purposes, expenses incurred by the blind for a reader, contributions to a Maryland ABLE account, solar energy grant awards, and a dependent's unearned income included in parent's federal AGI. Exclusions for certain artists' contributions and certain income of qualifying artists in arts and entertainment districts. Two-income subtraction of up to \$1,200. Exclusions for: 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>Standard: 15% of Maryland AGI.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center; border-bottom: 1px solid black;">Minimum</th> <th style="text-align: center; border-bottom: 1px solid black;">Maximum</th> </tr> </thead> <tbody> <tr> <td>Married-J/H-H</td> <td style="text-align: center;">\$3,000</td> <td style="text-align: center;">\$4,000</td> </tr> <tr> <td>All Other</td> <td style="text-align: center;">1,500</td> <td style="text-align: center;">2,000</td> </tr> </tbody> </table> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences From Federal Law: <u>Taxes:</u> State and local income taxes not deductible.</p>		Minimum	Maximum	Married-J/H-H	\$3,000	\$4,000	All Other	1,500	2,000																					
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NONBUSINESS TAX CREDITS	OTHER TAXES																														
<ul style="list-style-type: none"> • Aquaculture oyster floats • Bio-heating oil • Child and dependent care • Earned income tax credit (state and local) • Income taxes paid to other states • Long-term care insurance 	<ul style="list-style-type: none"> • Oyster shell recycling • Poverty level credit (state and local) • Preceptors in areas with health care workforce shortages • Preservation and conservation easements • Quality teacher incentive 																														
	<ul style="list-style-type: none"> • Local income tax (Maryland Counties and Baltimore City) 																														

*Reduced by social security and railroad retirement benefits.

MASSACHUSETTS

Filing System: Joint

TAX BASE: STATE ADJUSTED GROSS INCOME		DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. Exclusion for interest from state banks (Single--\$100/Married-J--\$200).</p> <p>Capital Gains & 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 Same as federal.</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 Disability income related to terrorist or military action is exempt.</p> <p>College Savings Plans Same as federal, plus deduction for contributions of up to \$1,000/taxpayer to Massachusetts' plan.</p> <p>Lottery Winnings Taxable.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for either: (a) up to \$4,800 of care expenses [\$9,600 for two or more qualifying individuals] for a child under age 13 or disabled dependent/spouse; or (b) \$3,600 for a dependent household member under age 12 or 65 or older [\$7,200 for two or more dependents]. In addition, deductions for the following: (a) 50% of rent -- maximum deduction \$3,000 (MS -- \$1,500); (b) amounts paid for social security, Medicare, railroad, federal and state retirement systems up to \$2,000/person; (c) tuition and fees; (d) organ donation expenses; (e) employee business expenses; (f) moving expenses allowed as federal itemized deductions; (g) self-employed health insurance expenses; (h) student loan interest; (i) income of a firefighter or police officer incapacitated in the line of duty; (j) alimony payments; and (k) certain gambling losses.</p>		<p>Standard: None.</p> <p>Itemized: State deductions for all taxpayers, as described under "Tax Base."</p>
TAX RATES AND BRACKETS		EXEMPTIONS
<p>The following types of income, minus deductions and exemptions, are taxed at 5.1%: earned income; pensions and annuities; interest from MA banks; business, profession, or farm income; rental royalty, partnership, S-corporation, or trust income; unemployment compensation; alimony; taxable IRA/Keogh distributions; and other income such as gambling winnings and fees. Also taxed at 5.1% is other interest income and dividend income less certain excess deductions from a trade or business not used to offset other 5.1% taxable income.</p> <p>Short-term capital gains (net of capital losses) and long-term capital gains on collectibles and pre-1996 installment sales (less certain excess deductions from a trade or business and 50% of long-term capital gains from collectibles and pre-1996 installment sales) are taxed at 12%. Other long-term capital gains (less remaining excess deductions and long-term capital losses) are taxed at 5.1%.</p> <p>No income tax is imposed if Massachusetts adjusted gross income is equal to or less than \$8,000 for single, \$16,400 for married-joint, or \$14,400 for head-of-household taxpayers (plus \$1,000/dependent). Deductions, other than certain deductions for a trade or business, cannot generally be used to offset income from interest, dividends, or capital gains.</p>		<p>Single/Married-S \$4,400</p> <p>Head-of-Household 6,800</p> <p>Married-J 8,800</p> <p>Dependent 1,000</p> <p>Age 65 or over 700</p> <p>Blind 2,200</p> <p>Exemption for medical expenses claimed on federal Schedule A and for adoption fees.</p> <p>Exemptions are applied against 5.1% income prior to the inclusion of non-Massachusetts interest and dividends.</p>
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> • Conservation land • Community investment • Earned income • Historic rehabilitation • Income tax paid to another state or jurisdiction • Lead paint 	<ul style="list-style-type: none"> • Limited income • Low income housing donation • Senior circuit breaker (property tax/rent) • Septic • Solar and wind energy 	<ul style="list-style-type: none"> • Health care penalty • Use tax

MICHIGAN

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. Persons born before 1946 may deduct up to \$11,259/person in interest, dividends, and capital gains, subject to reductions based on certain deductions described below.</p> <p>Capital Gains & Losses See "Interest/Dividend" above.</p> <p>Pension/Retirement Income</p> <p>--Private/Public* Four treatments based on year of birth:</p> <p style="padding-left: 20px;">if born before 1946, exempt all retirement income from public sources and up to \$50,509 (\$101,019M-J) in retirement income from private sources, except the allowable private exclusion is reduced by the public exclusion as well as any exempt military pay, military retirement, and railroad retirement;</p> <p style="padding-left: 20px;">if born from 1946 thru 1950, deduction against all income of \$20,000 (\$40,000 M-J), but higher deductions are allowed if employment was not covered by Social Security;</p> <p style="padding-left: 20px;">if born from 1951 thru 1952, exempt up to \$20,000 (\$40,000 M-J) of all public and private pension and retirement benefits;</p> <p style="padding-left: 20px;">if born from 1953 thru 1955, exempt up to \$15,000 (\$30,000 M-J) if all retirement benefits are from employment exempt from Social Security; and if born after 1952 and benefits are from employment subject to Social Security, pension and retirement benefits are generally taxable, with certain exceptions.</p> <p>--U.S. Civil Service Same as above.</p> <p>--Military Exempt.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Michigan obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$5,000 (\$10,000 M-J) to Michigan's plan.</p> <p>Lottery Winnings Taxable.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for elderly and disabled (based on federal credit), income of residents of a renaissance zone, education trust contracts, income from Michigan gas, oil, and nonferrous metallic minerals and benefits from a discriminatory self-insured medical expense reimbursement plan. No deduction for self-employment tax from federal return.</p>		<p>Standard: None.</p> <p>Itemized: None.</p>
TAX RATES AND BRACKETS		EXEMPTIONS
4.25% of taxable income.		<p>Each federal exemption \$4,000</p> <p>Disabled/Blind/Deaf 2,600</p> <p>Disabled veteran 400</p> <p>Dependent on someone else's return 1,500</p>
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> • Earned income • Farmland preservation • Historic preservation (for activities certified prior to 2012) 	<ul style="list-style-type: none"> • Income tax paid to another government unit • Property tax and rent • Small business investment (for activities certified prior to 2012) 	<ul style="list-style-type: none"> • Use tax

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

MINNESOTA

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME	DEDUCTIONS																														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except farm property is exempt if insolvent at time of sale.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Exempt.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt up to \$4,500 M-J, \$3,500 S or HH, and \$2,250 M-S with income-based phaseout.</p> <p>State/Municipal Bond Interest Taxable except Minnesota obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$1,500 per taxpayer to any state's plan, if taxpayer does not claim Minnesota's 529 credit.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for lower-income elderly or disabled, qualifying K-12 school expenses 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, AmeriCorps post-service education awards, earnings from a first-time homebuyer's savings account, taxes to a sub-national level of a foreign country other than Canada, and discharge of education loan indebtedness for taxpayers completing an income-driven repayment program.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State income taxes and state and local sales taxes not deductible. <u>High Income Limitation:</u> Total deductions limited using Minnesota thresholds -- \$93,175 if M-S and \$186,350 for others.</p>																														
TAX RATES AND BRACKETS	EXEMPTIONS																														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="border-bottom: 1px solid black;">Marginal</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single</th> <th style="text-align: center; border-bottom: 1px solid black;">Married Joint</th> <th style="text-align: center; border-bottom: 1px solid black;">Married Separate</th> <th style="text-align: center; border-bottom: 1px solid black;">Head-of-Household</th> <th style="text-align: center; border-bottom: 1px solid black;">Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$25,390</td> <td style="text-align: center;">\$0 - \$37,110</td> <td style="text-align: center;">\$0 - \$18,560</td> <td style="text-align: center;">\$0 - \$31,260</td> <td style="text-align: center;">5.35%</td> </tr> <tr> <td style="text-align: center;">25,391 - 83,400</td> <td style="text-align: center;">37,111 - 147,450</td> <td style="text-align: center;">18,561 - 73,730</td> <td style="text-align: center;">31,261 - 125,600</td> <td style="text-align: center;">7.05</td> </tr> <tr> <td style="text-align: center;">83,401 - 156,900</td> <td style="text-align: center;">147,451 - 261,510</td> <td style="text-align: center;">73,731 - 130,760</td> <td style="text-align: center;">125,601 - 209,200</td> <td style="text-align: center;">7.85</td> </tr> <tr> <td style="text-align: center;">156,901 and over</td> <td style="text-align: center;">261,511 and over</td> <td style="text-align: center;">130,761 and over</td> <td style="text-align: center;">209,201 and over</td> <td style="text-align: center;">9.85</td> </tr> </tbody> </table>	Taxable Income Brackets				Marginal	Single	Married Joint	Married Separate	Head-of-Household	Tax Rates	\$0 - \$25,390	\$0 - \$37,110	\$0 - \$18,560	\$0 - \$31,260	5.35%	25,391 - 83,400	37,111 - 147,450	18,561 - 73,730	31,261 - 125,600	7.05	83,401 - 156,900	147,451 - 261,510	73,731 - 130,760	125,601 - 209,200	7.85	156,901 and over	261,511 and over	130,761 and over	209,201 and over	9.85	<p>Federal amounts are phased out after AGI exceeds \$279,500 for M-J, \$232,900 for H-H, \$186,350 for S, and \$139,750 for M-S filers.</p>
Taxable Income Brackets				Marginal																											
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NONBUSINESS TAX CREDITS	OTHER TAXES																														
<ul style="list-style-type: none"> • Alternative minimum tax • Angel investment • Attaining master's degree in teacher licensure field • Child and dependent care • Combat zone • Education savings account contribution • Income taxes paid to another state • K-12 education expenses 	<ul style="list-style-type: none"> • Long-term care insurance • Marriage • Past military service • Parents of stillborn children • SEED capital investment • Student loan • Taxes paid to Wisconsin • Working family (based on federal EITC) 																														
<ul style="list-style-type: none"> • Alternative minimum tax • Tax on lump sum distribution • Tax on non-qualified first-time homebuyer withdrawals 																															

MISSISSIPPI

Filing System: Joint/Combined

TAX BASE: STATE ADJUSTED GROSS INCOME		DEDUCTIONS								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal plus exemptions for gains from the sale of authorized shares in Mississippi-domiciled financial institutions and certain domestic businesses.</p> <p>Pension/Retirement Income*</p> <p>--Private Exempt.</p> <p>--Public Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military CZE and exempt up to \$15,000 in National Guard and Reserve pay.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Mississippi obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deductions for contributions to Mississippi's prepaid tuition plan and for contributions up to \$10,000 (\$20,000 MJ) to Mississippi's affordable college savings plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for amounts deposited into a catastrophe savings account plus any accrued interest, interest penalties charged for early withdrawal of savings, and 17% of federal self-employment taxes. 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>Standard:</p> <p>Single/Married-S \$2,300</p> <p>Head-of-Household 3,400</p> <p>Married-J 4,600</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Difference From Federal Law:</p> <p><u>Taxes:</u> State income taxes and sales taxes not deductible.</p> <p><u>Other:</u> Mississippi gambling losses are not deductible.</p>								
TAX RATES AND BRACKETS		EXEMPTIONS								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$5,000</td> <td style="text-align: center;">3%</td> </tr> <tr> <td style="text-align: center;">5,001 - 10,000</td> <td style="text-align: center;">4</td> </tr> <tr> <td style="text-align: center;">10,001 and over</td> <td style="text-align: center;">5</td> </tr> </tbody> </table>		Taxable Income Brackets	Marginal Tax Rates	\$0 - \$5,000	3%	5,001 - 10,000	4	10,001 and over	5	<p>Married-J \$12,000</p> <p>Head-of-Household 8,000</p> <p>Single/Married-S 6,000</p> <p>Dependent 1,500</p> <p>Blind 1,500</p> <p>Age 65 or over 1,500</p>
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5,001 - 10,000	4									
10,001 and over	5									
NONBUSINESS TAX CREDITS		OTHER TAXES								
<ul style="list-style-type: none"> • Child adoption • Income tax paid to another state • Job development assessment fee • Long-term care premiums 	<ul style="list-style-type: none"> • Prekindergarten • Reforestation • Wildlife land use 	<ul style="list-style-type: none"> • Catastrophe savings tax • Consumer use tax 								

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

MISSOURI

Filing System: Combined

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exempts gain from conversion of condemned property, 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 an employee stock ownership plan.</p> <p>Pension/Retirement Income</p> <p>--Private Exclude up to \$6,000, subject to certain limits.</p> <p>--Public Exempt up to \$37,089/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, except reduced by amount already excluded under public pension exemption.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt, subject to AGI limits; otherwise partially exempt.</p> <p>State/Municipal Bond Interest Taxable except Missouri obligations and interest on Build America and Recovery Zone bonds.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$8,000 (\$16,000 M-J) to any state's qualified plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Up to \$5,000 is deductible (\$10,000 if combined return).</p> <p>Other Deductions for: long-term care and qualified health insurance premiums; contributions to a qualified health care sharing ministry; contributions to, and qualified withdrawals from, family development and individual medical accounts; annual contributions to the Missouri ABLE program; home energy audit expenses; agriculture disaster relief payments; bring jobs home; and transportation facilities.</p>		<p>Standard: Same as federal.</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income taxes are not deductible as a portion of the individual's itemized deductions. State deduction for FICA taxes, railroad retirement taxes, self-employment tax not federally deductible, and city earnings tax. <u>Charitable:</u> Deduction for cultural contributions.</p>																								
TAX RATES AND BRACKETS		EXEMPTIONS																								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> <th style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$101 - \$1,008</td> <td style="text-align: center;">1.5%</td> <td style="text-align: center;">\$5,041 - \$6,048</td> <td style="text-align: center;">4.0%</td> </tr> <tr> <td style="text-align: center;">1,009 - 2,016</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">6,049 - 7,056</td> <td style="text-align: center;">4.5</td> </tr> <tr> <td style="text-align: center;">2,017 - 3,024</td> <td style="text-align: center;">2.5</td> <td style="text-align: center;">7,057 - 8,064</td> <td style="text-align: center;">5.0</td> </tr> <tr> <td style="text-align: center;">3,025 - 4,032</td> <td style="text-align: center;">3.0</td> <td style="text-align: center;">8,065 - 9,072</td> <td style="text-align: center;">5.5</td> </tr> <tr> <td style="text-align: center;">4,033 - 5,040</td> <td style="text-align: center;">3.5</td> <td style="text-align: center;">9,073 and over</td> <td style="text-align: center;">6.0</td> </tr> </tbody> </table>	Taxable Income Brackets	Marginal Tax Rates	Taxable Income Brackets	Marginal Tax Rates	\$101 - \$1,008	1.5%	\$5,041 - \$6,048	4.0%	1,009 - 2,016	2.0	6,049 - 7,056	4.5	2,017 - 3,024	2.5	7,057 - 8,064	5.0	3,025 - 4,032	3.0	8,065 - 9,072	5.5	4,033 - 5,040	3.5	9,073 and over	6.0	<p>Single\$2,100</p> <p>Married Combined.....4,200</p> <p>Married Separate.....2,100</p> <p>Married Separate, Spouse Not Filing4,200</p> <p>Head-of-Household3,500</p> <p>Dependent under 651,200</p> <p>Dependent age 65 or over2,200</p> <p>Stillborn child1,200</p> <p>If MoAGI < \$20,000, additional500</p>	
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NONBUSINESS TAX CREDITS		OTHER TAXES																								
<ul style="list-style-type: none"> • Affordable housing assistance • Champion for children • Developmental disability care provider • Domestic violence • Family development account • Food pantry • Historic preservation • Income taxes paid to other states/subdivisions • Maternity home 	<ul style="list-style-type: none"> • Pregnancy resource • Property tax • Public safety officer surviving spouse • Residential dwelling accessibility • Residential treatment agency • Self-employed health insurance • Shared care for the elderly • Special needs adoption • Youth opportunities 	<ul style="list-style-type: none"> • Recapture tax on low-income housing credit. • Tax on lump sum distributions. 																								

MONTANA

Filing System: Joint/Combined

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																				
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds and dividends from certain small business investment companies. Interest exclusion of 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 & Losses 40% exclusion for installment sales entered into before 1987. 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 \$4,110/retiree exempt if income is below \$34,260.*</p> <p>--Public Up to \$4,110/retiree exempt if income is below \$34,260.*</p> <p>--U.S. Civil Service Up to \$4,110/retiree exempt if income is below \$34,260.*</p> <p>--Military Up to \$4,110/retiree exempt if income is below \$34,260.*</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Separate state calculation of taxable amount.</p> <p>State/Municipal Bond Interest Taxable except Montana obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Up to \$5,200 excluded.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Taxable.</p> <p>Federal Income Taxes Up to \$5,000 (\$10,000 M-J) deductible as itemized deduction.</p> <p>Other Tip income for food, beverage, or lodging employees excluded. Exemptions for deposits to, and earnings on, MSAs, family education savings accounts, and first-time home buyers savings accounts. Subtractions for workers' compensation benefits, health care professional student loan repayments, dependent's unearned income included in parent's federal AGI, deposits to farm and ranch risk management and ABLE accounts, certain reimbursements received by National Guard members and reservists for life insurance premiums, and wages used for federal targeted jobs tax credit. Deduction for certain land sales to beginning farmers.</p>	<p>Standard: 20% of Montana AGI.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;"><u>Minimum</u></th> <th style="text-align: center;"><u>Maximum</u></th> </tr> </thead> <tbody> <tr> <td>Single/</td> <td></td> <td></td> </tr> <tr> <td>Married-S</td> <td style="text-align: center;">\$2,000</td> <td style="text-align: center;">\$4,510</td> </tr> <tr> <td>Married-J/HH</td> <td style="text-align: center;">4,000</td> <td style="text-align: center;">9,020</td> </tr> </tbody> </table> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Medical Expenses:</u> Medical and long-term care insurance premiums are deductible. <u>Taxes:</u> State income taxes are not deductible. Motor vehicle taxes and fees, federal income taxes, state and local sales taxes (even if the taxpayer claimed the federal standard deduction) are deductible. <u>Other:</u> Child and dependent care expenses and up to \$100 (\$200 for married-joint filers) for political contributions.</p>		<u>Minimum</u>	<u>Maximum</u>	Single/			Married-S	\$2,000	\$4,510	Married-J/HH	4,000	9,020								
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NONBUSINESS TAX CREDITS	OTHER TAXES																				
<ul style="list-style-type: none"> • Adoption • Alternative energy systems • Alternative fuel • Capital gains • College contribution • Elderly care • Elderly homeowner or renter 	<ul style="list-style-type: none"> • Endowment gifts • Energy conservation installations • Geothermal systems • Income taxes paid to other states/countries • Innovative educational program • Student scholarship educational • Unlocking state lands <p>• Lump sum distributions</p> <p>• Recapture tax or penalty on: early or non-qualified withdrawals from family education savings accounts, ABLE, MSA, first-time home buyers accounts, and farm and ranch risk accounts; returned gifts previously used to claim endowment credit; and biodiesel, biolubricant, or oilseed credits previously claimed by taxpayers who have ceased operations</p>																				

*Partial exclusions are phased out between income of \$34,260 and \$36,315 (\$38,370 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.</p> <p>Capital Gains & Losses Deduction for special capital gains from stock sales and 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.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt if income is at or below \$43,000 (\$58,000 MJ).</p> <p>State/Municipal Bond Interest Taxable except Nebraska or its subdivisions' obligations, including Nebraska-issued Build America bonds, agricultural revenue bonds, and 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, plus deduction for contributions up to \$10,000 (\$5,000 MS) to Nebraska's College Savings Program, provided the taxpayer is the account owner or parent/guardian custodian of the account.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for contributions by an account owner to, and earnings from, a Nebraska long-term care savings plan, contributions to Nebraska ABLE accounts, and for claim of right repayments.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income taxes not deductible.</p>																								
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)																								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax 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;">Married-J</th> <th style="text-align: center; border-bottom: 1px solid black;">Head-of-Household</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$3,090</td> <td style="text-align: center;">\$0 - \$6,170</td> <td style="text-align: center;">\$0 - \$5,760</td> <td style="text-align: center;">2.46%</td> </tr> <tr> <td style="text-align: center;">3,091 - 18,510</td> <td style="text-align: center;">6,171 - 37,030</td> <td style="text-align: center;">5,761 - 29,620</td> <td style="text-align: center;">3.51</td> </tr> <tr> <td style="text-align: center;">18,511 - 29,830</td> <td style="text-align: center;">37,031 - 59,660</td> <td style="text-align: center;">29,621 - 44,230</td> <td style="text-align: center;">5.01</td> </tr> <tr> <td style="text-align: center;">29,831 and over</td> <td style="text-align: center;">59,661 and over</td> <td style="text-align: center;">44,231 and over</td> <td style="text-align: center;">6.84</td> </tr> </tbody> </table> <p>If federal AGI is more than \$261,500 (Single), \$313,800 (Married-J), \$156,900 (Married-S), or \$287,650 (Head-of-Household), an additional tax rate schedule applies that partially offsets the lower marginal tax rates.</p>	Taxable Income Brackets			Marginal Tax Rates	Single/ M-S	Married-J	Head-of-Household		\$0 - \$3,090	\$0 - \$6,170	\$0 - \$5,760	2.46%	3,091 - 18,510	6,171 - 37,030	5,761 - 29,620	3.51	18,511 - 29,830	37,031 - 59,660	29,621 - 44,230	5.01	29,831 and over	59,661 and over	44,231 and over	6.84	<p>Each federal exemption \$132</p>
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29,831 and over	59,661 and over	44,231 and over	6.84																						
NONBUSINESS TAX CREDITS	OTHER TAXES																								
<ul style="list-style-type: none"> • Angel investment • Beginning farmer • Child and dependent care expenses • Community development assistance • Earned income 	<ul style="list-style-type: none"> • Elderly or disabled • Income taxes paid to other states • Qualified volunteer emergency responders • School readiness <p style="margin-top: 20px;">• Lump-sum or early retirement plan distributions</p> <p>• Use tax</p>																								

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, 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 & Losses Exempt.</p> <p>Pension/Retirement Income</p> <p>--Private Exempt.</p> <p>--Public..... Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military..... Exempt.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation..... Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except New Hampshire obligations.</p> <p>Health Savings Accounts..... No provision.</p> <p>Miscellaneous</p> <p>Disability Income Exempt.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings..... Exempt.</p> <p>Federal Income Taxes..... No provision.</p>	<p>Standard: None.</p> <p>Itemized: None.</p>
TAX RATES AND BRACKETS	EXEMPTIONS
<p style="text-align: center;">5% of taxable interest and dividends.</p>	<p>Single/H-H/Married-S \$2,400</p> <p>Married-J 4,800</p> <p>65 or over or disabled..... 1,200</p> <p>Blind 1,200</p>
NONBUSINESS TAX CREDITS	OTHER TAXES
<p style="text-align: center;">None.</p>	<p style="text-align: center;">None.</p>

NEW JERSEY

Filing System: Joint*

TAX BASE: STATE GROSS INCOME																																											
<u>Major Differences from Federal Law</u>																																											
Interest/Dividend	Exempts U.S. government bonds and certain distributions from a New Jersey qualified investment fund.																																										
Capital Gains & Losses	Same as federal except capital gains from New Jersey obligations are exempt and capital losses may not be deducted from ordinary income.																																										
Pension/Retirement Income																																											
--Private	Exclude \$30,000 (\$40,000 M-J/\$20,000 M-S). **																																										
--Public	Exclude \$30,000 (\$40,000 M-J/\$20,000 M-S). **																																										
--U.S. Civil Service	Exclude \$30,000 (\$40,000 M-J/\$20,000 M-S). **																																										
--Military	Exempt.																																										
Active Duty Military	Same as federal.																																										
Unemployment Compensation.....	Exempt.																																										
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Health Savings Accounts	No provision.																																										
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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] and distributed earnings on Coverdell education savings accounts 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 (\$3,000 S, 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: (a) compensation for injuries or sickness; (b) meals and lodging furnished by the employer; (c) reimbursements for employee business expenses; and (d) moving expenses. 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, and property taxes/rent paid, except deduction may not be claimed if the property tax/rent credit is claimed.																																										
TAX RATES AND BRACKETS		DEDUCTIONS																																									
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<ul style="list-style-type: none"> • Earned income • Excess contributions for disability insurance, family leave insurance, supplemental workforce fund, workforce development partnership fund, and unemployment insurance 		<ul style="list-style-type: none"> • Income taxes paid to other jurisdictions • Property tax/rent • Use tax 																																									

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

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

NEW MEXICO

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME				DEDUCTIONS																																	
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> Interest/Dividend..... Exempts U.S. government bonds. Capital Gains & Losses..... Deduct the greater of 50% or \$1,000 of federally taxable gains. Pension/Retirement Income --Private Same as federal. --Public Same as federal. --U.S. Civil Service Same as federal. --Military Same as federal. Active Duty Military Exempt. Unemployment Compensation..... Same as federal. Social Security Benefits Same as federal. State/Municipal Bond Interest..... Taxable except New Mexico obligations. Health Savings Accounts Same as federal. Miscellaneous Disability Income Same as federal. College Savings Plans Same as federal, plus contributions to New Mexico's plan. Lottery Winnings..... Same as federal. Federal Income Taxes Not deductible. Other Deduction for income of a person aged 100 or more if not claimed as a dependent and up to \$8,000 if age 65 or over or blind, subject to certain income limits. Deductions for contributions to a New Mexico medical care savings account, unreimbursed medical care expenses not claimed as an itemized deduction, additional deduction for medical care expenses for persons aged 65 or older, organ donation related expenses, and certain reimbursements received by National Guard members for life insurance premiums.				<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income or general sales taxes are not deductible, except the addback may be reduced so that itemized deductions are not less than the standard deduction. <u>Charitable:</u> Contributions resulting in a state land conservation tax credit are not deductible.</p>																																	
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<ul style="list-style-type: none"> • Affordable housing • Agricultural biomass • Angel investment • Child day care • Geothermal ground-coupled heat pump • Income tax paid to other states • Land conservation incentives • Low-income comprehensive tax rebate 		<ul style="list-style-type: none"> • Low-income property tax rebate for Los Alamos or Santa Fe County residents • Medical care credit for persons 65 or older • Preservation of cultural properties • Property tax rebate (age 65 and over) • Rural healthcare practitioners • Special needs adopted child • Sustainable building • Working families (earned income) 		<ul style="list-style-type: none"> • Tax on lump sum distributions 																																	

NEW YORK

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																																								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exempts gains on sale of certain new business investments and defers gains on reinvested qualified emerging technology investments.</p> <p>Pension/Retirement Income</p> <p>--Private Up to \$20,000 exempt if age 59½ or over.</p> <p>--Public Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except New York obligations and Build America bonds.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Up to \$5,200 excluded.</p> <p>College Savings Plans Same as federal, plus deduction for contributions of up to \$5,000 (\$10,000 MJ) to New York's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Contributions to certain public employee retirement systems and amounts deducted from salaries and wages (for federal tax purposes) under certain New York City public employer flexible benefits programs and 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 emergency state duty, interest payments under the New York higher education loan program, volunteer firefighter and EMS length of service awards, and accelerated payments of life insurance death benefits. Certain amounts eligible for New York credits are added back to AGI.</p>	<p>Standard:</p> <p>Single/Married-S \$8,000</p> <p>Single Dependent 3,100</p> <p>Married-J 16,050</p> <p>Head-of-Household 11,200</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State, local, and foreign income taxes not deductible.</p> <p><u>Medical Expenditures:</u> Amounts claimed for long-term care insurance credit cannot be claimed as an itemized deduction.</p> <p><u>College Tuition:</u> Deduction unless claiming college tuition credit.</p> <p><u>High-Income Limitation:</u> Total deductions are limited using state thresholds.</p>																																								
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<ul style="list-style-type: none"> • Accumulation distribution • Alternative fuels and electric vehicle recharging • Child and dependent care • Claim of right • Clean heating fuel • College tuition • Conservation easement • Defibrillator • Earned income tax credit • Empire State child • Enhanced real property tax • Family tax relief • Green building 	<ul style="list-style-type: none"> • Historic homeownership rehabilitation • Household (low income) • Income taxes paid to other states or Canada • Long-term care insurance • Lump sum distribution • Nursing home assessment • Property tax freeze • Property tax relief • Real property tax • School tax for New York City residents • School tax exemption for new homeowners • Solar energy system equipment • Volunteer firefighters and ambulance workers 																																								
	<ul style="list-style-type: none"> • City of New York resident and part-year resident income tax • City of Yonkers nonresident earnings tax • City of Yonkers resident and part-year resident income tax surcharge • Lump sum distributions • Metropolitan commuter transportation mobility tax • Use tax 																																								

NORTH CAROLINA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS
<p style="text-align: center; margin: 0;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal plus exemption for gains from certain North Carolina obligations issued before July 1, 1995.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.*</p> <p>--U.S. Civil Service Same as federal.*</p> <p>--Military Same as federal.*</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except North Carolina obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Addition for charitable contributions from IRAs by persons age 70 ½ or older (see itemized deductions).</p>	<p>Standard:</p> <p>Married-J \$17,500</p> <p>Head-of-Household 14,000</p> <p>Single 8,750</p> <p>Married-S if spouse does not itemize 8,750 if spouse does itemize 0</p> <p>Itemized: 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, including charitable contributions from IRAs by persons age 70 ½ or older.</p> <p>Medical and dental expenses are deductible.</p> <p>Repayment of claim of right income is deductible.</p>
TAX RATES AND BRACKETS	EXEMPTIONS
5.499% of North Carolina taxable income.	None.
NONBUSINESS TAX CREDITS	OTHER TAXES
<ul style="list-style-type: none"> • Children • Rehabilitating historic structures • Income tax paid to another state or country 	<ul style="list-style-type: none"> • Use tax

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

NORTH DAKOTA

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME					DEDUCTIONS
<u>Major Differences from Federal Law</u>					Standard: Same as federal. Itemized: 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.....	Same as federal.				
Active Duty Military	Same as federal plus exemption for pay received by National Guard/Reserve member for federal active duty service.				
Unemployment Compensation.....	Same as federal.				
Social Security Benefits	Same as federal.				
State/Municipal Bond Interest.....	Exempt.				
Health Savings Accounts.....	Same as federal.				
Miscellaneous					
Disability Income	Same as federal.				
College Savings Plans	Same as federal, plus deduction for contributions up to \$5,000 (\$10,000 MJ) to North Dakota's plan.				
Lottery Winnings.....	Same as federal.				
Federal Income Taxes.....	Same as federal.				
Other	Deductions for employee workforce recruitment payments, organ donation expenses, investment income from renaissance zones, qualifying new or expanding businesses, and parents of a stillborn child. Certain charitable contributions included as federal itemized deductions are additions to income if claimed as state tax credits.				
TAX RATES AND BRACKETS					EXEMPTIONS
<u>Taxable Income Brackets</u>					Same as federal.
<u>Single</u>	<u>Head-of-Household</u>	<u>Married-J</u>	<u>Married-S</u>	<u>Marginal Tax Rate</u>	
\$0 - \$37,950	\$0 - \$50,800	\$0 - \$63,400	\$0 - \$31,700	1.10%	
37,951 - 91,900	50,801 - 131,200	63,401 - 153,100	31,701 - 76,550	2.04	
91,901 - 191,650	131,201 - 212,500	153,101 - 233,350	76,551 - 116,675	2.27	
191,651 - 416,700	212,501 - 416,700	233,351 - 416,700	116,676 - 208,350	2.64	
416,701 and over	416,701 and over	416,701 and over	208,351 and over	2.90	
NONBUSINESS TAX CREDITS					OTHER TAXES
<ul style="list-style-type: none"> • Agricultural commodity investment • Angel investor investment • Endowment fund • Family member care • Income taxes paid to another state 		<ul style="list-style-type: none"> • Long-term care insurance (partnership plan) • Marriage penalty • Planned gifts • Purchase/rehab home in renaissance zone • Seed capital investment 			None.

OHIO

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																										
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds, plus the business income deduction (see "Other") includes interest and dividends of pass-through businesses.</p> <p>Capital Gains & 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 Federal exclusions and subtraction for additional active duty pay and allowances while stationed outside Ohio.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Ohio obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Exempt (except for payments made on a temporary basis).</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$2,000 per beneficiary to Ohio's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deduction for pass-through business income of up to \$250,000 (\$125,000 M-S). Deductions for Ohio MSA contributions, contributions to individual development and ABLE accounts, medical expenses exceeding 7.5% of federal AGI, medical insurance, long-term care insurance, disability survivorship benefits, room and board expenses funded from Ohio College Opportunity and Pell grants, organ donation expenses, and reimbursements received by Ohio National Guard member for life insurance premiums and death benefits for an Ohio National Guard member killed on active duty.</p>		<p>Standard: None.</p> <p>Itemized: None.</p>																										
TAX RATES AND BRACKETS		EXEMPTIONS																										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">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 - \$10,650</td> <td style="text-align: center;">0.000%</td> </tr> <tr> <td style="text-align: center;">10,651 - 16,000</td> <td style="text-align: center;">1.980</td> </tr> <tr> <td style="text-align: center;">16,001 - 21,350</td> <td style="text-align: center;">2.476</td> </tr> <tr> <td style="text-align: center;">21,351 - 42,650</td> <td style="text-align: center;">2.969</td> </tr> <tr> <td style="text-align: center;">42,651 - 85,300</td> <td style="text-align: center;">3.465</td> </tr> <tr> <td style="text-align: center;">85,301 - 106,650</td> <td style="text-align: center;">3.960</td> </tr> <tr> <td style="text-align: center;">106,651 - 213,350</td> <td style="text-align: center;">4.597</td> </tr> <tr> <td style="text-align: center;">213,351 and over</td> <td style="text-align: center;">4.997</td> </tr> </tbody> </table> <p style="text-align: center;">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 - \$10,650	0.000%	10,651 - 16,000	1.980	16,001 - 21,350	2.476	21,351 - 42,650	2.969	42,651 - 85,300	3.465	85,301 - 106,650	3.960	106,651 - 213,350	4.597	213,351 and over	4.997	<p>For each federal exemption, the state exemption is based on Ohio AGI:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>OH AGI</u></th> <th style="text-align: center;"><u>Personal/ Dependent Exemption</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$40,000</td> <td style="text-align: center;">\$2,300</td> </tr> <tr> <td style="text-align: center;">40,001 - 80,000</td> <td style="text-align: center;">2,050</td> </tr> <tr> <td style="text-align: center;">Over 80,000</td> <td style="text-align: center;">1,800</td> </tr> </tbody> </table>	<u>OH AGI</u>	<u>Personal/ Dependent Exemption</u>	\$0 - \$40,000	\$2,300	40,001 - 80,000	2,050	Over 80,000	1,800
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NONBUSINESS TAX CREDITS		OTHER TAXES																										
<ul style="list-style-type: none"> • Adoption • Child and dependent care • Displaced worker training • Earned income • Exemption credit • Financial institutions • Historic preservation • Income taxed by another state (resident credit) 		<ul style="list-style-type: none"> • Invest Ohio • Joint filing (two income) • Lump sum retirement • Ohio campaign contributions • Pass-through entity • Retirement income • Senior citizen 																										
		<ul style="list-style-type: none"> • Use tax 																										

OKLAHOMA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME																										
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/DividendExempts U.S. government bonds.</p> <p>Capital Gains & LossesDeduction 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, up to 100% of civil service retirement income in lieu of social security benefits is exempt.</p> <p>State/Municipal Bond Interest....Taxable except Oklahoma obligations.</p> <p>Health Savings Accounts.....Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income.....Same as federal.</p> <p>College Savings PlansSame as federal, plus deduction for contributions up to \$10,000 (\$20,000 MJ) per taxpayer to Oklahoma's plan.</p> <p>Lottery WinningsSame as federal.</p> <p>Federal Income Taxes.....Not deductible.</p> <p>OtherDeductions for expenses related to the disabled, adoption expenses, organ donation expenses, foster care expenses, contributions to, and earnings from, an Oklahoma medical savings account, and investments in agricultural commodity processing facilities. Exclusions for small business incubators, 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, livestock show awards, and income from discharge of indebtedness for farmers.</p>																										
TAX RATES AND BRACKETS		DEDUCTIONS																								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single/Married-S</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-J/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/Married-S	Married-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>Standard: Same as federal, except no adjustment if 65 or over or blind.</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences From Federal Law: <u>Taxes:</u> State income and state and local sales taxes not deductible.</p>
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NONBUSINESS TAX CREDITS		EXEMPTIONS																								
<ul style="list-style-type: none"> • Biomedical research contribution • Cancer research contribution • Capital investment board • Child care/child • Contributions to a scholarship granting organization • Contributions to an educational improvement grant organization • Earned income 		<ul style="list-style-type: none"> • Employees in the aerospace sector • Income tax paid to another state • Low-income property tax • Natural disaster • Qualified rehabilitation expenditures for historic structures • Sales tax relief for low-income • Volunteer firefighter 																								
		<p>Single/H-H/ Married-S..... \$1,000 Married-J 2,000 Dependent..... 1,000 Blind 1,000 Age 65 or over and low AGI..... 1,000</p>																								
		OTHER TAXES																								
		<ul style="list-style-type: none"> • Use tax 																								

OREGON

Filing System: Joint*

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																		
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend..... Exempts U.S. government bonds and dividends from certain domestic international sales corporations.</p> <p>Capital Gains & Losses..... Same as federal, with reduced tax rate for gains on sales of certain farm assets.</p> <p>Pension/Retirement Income</p> <p>--Private 9% credit if low-income and 62 or over.</p> <p>--Public 9% credit if low-income and 62 or over.</p> <p>--U.S. Civil Service** 9% credit if low-income and 62 or over.</p> <p>--Military** 9% credit if low-income and 62 or over.</p> <p>Active Duty Military CZE and general exemption for income earned outside Oregon. Exclude \$6,000 if earned in Oregon (includes National Guard and Reserves). Exclude all active duty Guard and Reservists pay under certain conditions.</p> <p>Unemployment Compensation..... Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except Oregon state and local obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans..... Same as federal, plus deduction for contributions up to \$2,330 (\$4,660 MJ) to Oregon's plan.</p> <p>Lottery Winnings..... Oregon lottery winnings of \$600 or less per ticket exempt.</p> <p>Federal Income Taxes Deductible up to \$6,550.</p> <p>Other Deductions for medical and dental expenses not included as a federal itemized deduction if 64 or over, logger's and construction worker's commuting costs, artists who make charitable art donations, Oregon individual development account deposits and earnings, contributions to ABLE accounts, housing expense scholarships, public safety memorial fund benefits, and amounts included in federal AGI to take certain federal credits. Add back federal deductions for unused business credits, for which Oregon provides tax credits, and for charitable contributions to organizations where less than 30% of expenses are for program services.</p>	<p>Standard:</p> <p>Single/Married Separate \$2,175</p> <p>Married Joint 4,350</p> <p>Head-of-Household 3,500</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>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Differences From Federal Law:</p> <p>Taxes: Oregon state income or any state and local sales taxes not deductible.</p>																		
	EXEMPTIONS (TAX CREDITS)																		
	<p>Personal tax credit of \$197 per exemption if federal AGI is below:</p> <p>Single/Married Separate \$100,000</p> <p>Married Joint/Head-of-Household 200,000</p> <p>Additional tax credit of \$197 for each filer who is severely disabled and for each child with a disability, provided federal AGI is \$100,000 or less.</p>																		
TAX RATES AND BRACKETS	OTHER TAXES																		
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125,001 and over	250,001 and over	9.9																	
NONBUSINESS TAX CREDITS																			
<ul style="list-style-type: none"> • Child care fund contribution • Claim of right credit • Crop donation • Earned income • Energy conservation project • Fish screening devices • Income tax paid to another state 	<ul style="list-style-type: none"> • Individual development account donation • Manufactured home park closure • Oregon cultural trust contribution • Oregon production investment fund • Oregon surplus (kicker) • Oregon veterans home physicians • Political contributions 																		
	<ul style="list-style-type: none"> • Residential energy • Retirement income (see above) • Rural medical practitioners and EMTs • Tax on gain taxed by other jurisdictions • University venture development fund • Working family dependent care 																		

* 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 & Losses Generally same as federal, except no distinction between long-term and short-term gains and losses and all gains are taxable and all losses deductible in year incurred, with certain limitations if married and filing jointly. In addition, a separate state tax benefit rule applies with respect to unused losses, depreciation, and reduction of basis.</p> <p>Pension/Retirement Income</p> <p>--Private Exempt.</p> <p>--Public Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military Exempt if stationed outside of state.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Pennsylvania obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Sick pay and disability benefits, including payments by third party insurers for sickness and disability, are exempt.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$14,000 per beneficiary to any state's 529 plan.</p> <p>Lottery Winnings Same as federal, except Pennsylvania Lottery noncash prizes are exempt.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Unreimbursed employee expenses 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 as well as meals and lodging provided by an employer. 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>Standard: None.</p> <p>Itemized: None.</p>
TAX RATES AND BRACKETS		EXEMPTIONS
<p>Tax is 3.07% of total positive income from eight income classes:</p> <ul style="list-style-type: none"> • compensation; • interest income; • dividends and capital gains distributions; • net income or loss from the operation of a business, profession, or farm; • net gain or loss from the sale, exchange, or disposition of property; • net income or loss from rents, royalties, patents, or copyrights; • estate or trust income; and • gambling and lottery winnings. <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"> • Educational improvement • Historic preservation incentive • Income taxes paid to other states (resident credit) • Neighborhood assistance program 	<ul style="list-style-type: none"> • Opportunity scholarship • Resource enhancement and protection • Tax forgiveness credit for lower income taxpayers 	<ul style="list-style-type: none"> • Use tax

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

RHODE ISLAND

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal.</p> <p>Pension/Retirement Income</p> <p>--Private 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 Same as federal.</p> <p>Social Security Benefits Exempt if age 66 or older and federal AGI is less than \$81,575 (\$101,950 MJ).</p> <p>State/Municipal Bond Interest Taxable except Rhode Island obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$500 (\$1,000 MJ) to Rhode Island's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for new research and development facilities, investment in a certified venture capital partnership, certain performance-based compensation under Rhode Island Jobs Growth Act, contributions to a family education account, insurance benefits for dependents and domestic partners, organ donation expenses, and for writers, composers, and artists in certain economic development zones.</p>		<p>Standard:</p> <p>Single/Married Separate \$8,375</p> <p>Married Joint 16,750</p> <p>Head-of-Household 12,550</p> <p>The deduction phases out for filers with modified federal AGI between \$195,150 and \$217,350.</p> <p>Itemized:</p> <p>None.</p>								
TAX RATES AND BRACKETS		EXEMPTIONS								
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<u>Taxable Income Brackets</u>	<u>Marginal Tax Rate</u>									
\$0 - \$61,300	3.75%									
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139,401 and over	5.99									
NONBUSINESS TAX CREDITS		OTHER TAXES								
<ul style="list-style-type: none"> • Child and dependent care expenses • Earned income • Income taxes paid to other states 		<ul style="list-style-type: none"> • Property tax relief • Residential lead paint abatement • Stay Invested in RI Wavemaker Fellowship 								
		<ul style="list-style-type: none"> • Use tax 								

SOUTH CAROLINA

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME		DEDUCTIONS
<u>Major Differences from Federal Law</u>		
Interest/Dividend	Exempts U.S. government bonds.	Standard: Same as federal.
Capital Gains & Losses	44% exclusion for long-term (more than 1 year) gains.	
Pension/Retirement Income		Itemized: Same as federal.
--Private	\$3,000/person exclusion (under 65); \$10,000/person (65+).	
--Public	\$3,000/person exclusion (under 65); \$10,000/person (65+).	
--U.S. Civil Service	\$3,000/person exclusion (under 65); \$10,000/person (65+).	
--Military	\$8,800/person exclusion if taxpayer has earned income and is under 65; \$21,000/person exclusion if taxpayer is 65 or older. Portion attributable to reserve or National Guard service is exempt.	Major Differences from Federal Law: <u>Taxes:</u> State and local income and sales taxes not deductible. <u>Miscellaneous:</u> Military reservists' income is not taxable, so expenses related to such income are not deductible. <u>High Income Limitation:</u> Total deductions are not limited.
Active Duty Military	CZE and exemption for Reserve and National Guard training pay.	
Unemployment Compensation.....	Same as federal.	
Social Security Benefits	Exempt.	
State/Municipal Bond Interest.....	Taxable except South Carolina obligations.	
Health Savings Accounts	Same as federal.	
Miscellaneous		
Disability Income	Exempt, if payment is from a retirement plan.	
College Savings Plans	Same as federal, plus deduction for contributions to South Carolina's plan.	
Lottery Winnings.....	Same as federal.	
Federal Income Taxes	Not deductible.	
Other	Deductions of \$2,000 for adopted children with special needs; \$8.00 per work-day subsistence allowance for law enforcement officers, full-time fire-fighters, and EMS personnel; \$3,000 deduction for volunteer firefighters, rescue squad members, Haz-Mat response team members, state constables, reserve police officers, Natural Resource deputy enforcement officers, and members of the State Guard; contributions to an ABL account or a catastrophe savings account; \$15,000 for persons over 65 (offset by any retirement deduction); and up to \$300 in expenses (\$1,000 MJ) for certain identity theft protection services.	
TAX RATES AND BRACKETS		EXEMPTIONS
<u>Taxable Income Brackets</u>	<u>Marginal Tax Rates</u>	Same as federal, except no high-income phase-out.
\$0 - \$2,930	0.0%	
2,931 - 5,870	3.0	
5,871 - 8,800	4.0	
8,801 - 11,740	5.0	
11,741 - 14,670	6.0	Additional exemption for children under 6..... \$4,050
14,671 and over	7.0	
An individual, estate, or trust receiving income from one or more pass-through businesses can choose to have active trade or business income taxed at a flat income tax rate of 3% instead of the graduated income tax rate that applies to ordinary income.		
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> • Alternative motor vehicle • Angel investor • Child and dependent care • Classroom teachers' expenses • Community development • Conservation contribution • Drip/trickle irrigation systems • Energy efficient manufactured home • Exceptional needs children education • Excess insurance premium • Health insurance pool • Historic residential structure • Income taxes paid to another state • Nursing home 	<ul style="list-style-type: none"> • Palmetto seed capital • Premarital preparation course • Quality forum • Residential retrofit • Retirement plan contribution • Scenic river • Shareholder of S corporations/banks • Solar energy property • Tuition • Two wage earner (married couple) • Venture capital investment • Venison for charity • Water resources 	<ul style="list-style-type: none"> • Use tax • Lump sum distribution • Excess withdrawals from catastrophe savings account

TENNESSEE

Filing System: Joint

TAX BASE: INTEREST AND DIVIDENDS	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. Distributions from mutual funds exempt if derived from holdings in U.S. government bonds or Tennessee municipal bonds. Interest on certificates of deposit, passbook accounts, savings accounts, checking accounts, money market accounts, short-term commercial paper, insurance policies (if payable on demand), and repurchase agreements are exempt. Dividends from stock in Tennessee state banks, national banks, savings and loans located in Tennessee, insurance companies licensed to do business in Tennessee, and publicly-traded real estate investment trusts are exempt. All income from a credit union is exempt, as are distributions from education and Roth IRAs.</p> <p>Capital Gains & Losses Capital gains from stock and mutual funds are taxable if distributed as dividends. Otherwise, capital gains from the sale of real estate and stock are not taxable. Capital losses are not deductible.</p> <p>Pension/Retirement Income</p> <p>--Private Exempt.</p> <p>--Public Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Tennessee obligations.</p> <p>Health Savings Accounts Earnings or distributions from HSAs are exempt.</p> <p>Miscellaneous</p> <p>Disability Income Exempt.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Exempt.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Taxable income derived from circumstances resulting in an individual becoming a quadriplegic is exempt.</p>	<p>Standard: None.</p> <p>Itemized: None.</p>
TAX RATES AND BRACKETS	EXEMPTIONS
<p style="text-align: center;">Tax rate is 4%.</p> <p>The tax is imposed on dividends from stock, income from investment trusts and mutual funds, shareholder distributions which are not a return of capital, the market value of stock in a corporation given by another corporation as a dividend in the regular course of business, distributions based on stock ownership to shareholders of an S-corporation, interest in bonds maturing in more than six months from their issuance date, interest and dividends received as a beneficiary of a non-Tennessee trust or estate, dividends or interest from non-bank money market funds, dividends or interest from certain federal enterprise agencies, and distributions based on stock ownership in a partnership.</p>	<p>Single/H-H/Married-S \$1,250</p> <p>Married-J 2,500</p> <p>Exempt from taxation if blind or if age 65 or over and total gross income under \$37,000 (\$68,000 if married-joint).</p>
NONBUSINESS TAX CREDITS	OTHER TAXES
None.	None.

UTAH

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS/CREDIT
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Credits for gains reinvested in certain Utah small businesses and for gains on the sale or exchange of gold or silver coins.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Same as federal.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Same as federal.</p> <p>State/Municipal Bond Interest Taxable except Utah obligations and interest on non-Utah municipal bonds from states that exempt interest from Utah obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus state tax credit 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>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income taxes not deductible.</p>
		EXEMPTIONS/CREDIT
		<p>Single/H-H/Married-S \$3,038</p> <p>Married Joint 6,076</p> <p>Dependent 3,038</p> <p>Dependent with Disability 3,038</p> <p>State amounts equal 75% of federal exemptions and are limited using federal income thresholds.</p>
TAX RATES AND BRACKETS		TAXPAYER TAX CREDIT
<p style="text-align: center;">Tax rate is 5%.</p> <p>Taxpayers whose federal AGI is less than or equal to the sum of the taxpayer's federal exemption amount and federal standard deduction are exempt from Utah income tax.</p>		<p>Credit equals the sum of deductions and exemptions times 6%. Subject to 1.3% phase-out for Utah taxable income exceeding:</p> <p>Single/Married Separate \$13,978</p> <p>Married Joint 27,956</p> <p>Head-of-Household 20,968</p>
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> • ABLE account contributions • At-home parent • Capital gain transaction • Combat related death • Farm operation hand tools • Gold and silver coin sale • Health benefit plan • Historic preservation • Income taxes paid to another state • Live organ donation expenses 	<ul style="list-style-type: none"> • Mental health practitioners • Military survivor benefits • Qualifying solar project • Renewable residential energy systems • Retirement • Sheltered workshop contributions • Special needs adoption • Student prosperity savings program • Utah educational savings plan/529 plan 	<ul style="list-style-type: none"> • Use tax • Recapture of low-income housing credit

VERMONT

Filing System: Joint*

TAX BASE: FEDERAL TAXABLE INCOME	DEDUCTIONS																																			
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. 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 & Losses Exclusion equal to greater of: (a) 40% of gains on certain assets; or (b) the lesser of \$5,000 or the actual amount of net adjusted capital gains. However, the exclusion cannot exceed 40% of federal taxable income.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Same as federal.</p> <p>Active Duty Military CZE and exclusion for income from full-time active duty outside Vermont. In addition, first \$2,000 of training pay for Reserve and National Guard members with AGI less than \$50,000 is excluded.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Same as federal.</p> <p>State/Municipal Bond Interest Taxable except Vermont state and local obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus state tax credit.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Exclusion for funds from federal armed forces education loan repayment.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income taxes are not deductible. <u>Other:</u> The amount of itemized deductions a taxpayer can claim is capped at an amount equal to 2.5 times the federal standard deduction. Deduction amounts over the cap are added back to taxable income. The deductions for charitable gifts and for medical and dental expenses are not subject to the cap.</p>																																			
TAX RATES AND BRACKETS	EXEMPTIONS																																			
<p>Tax is based on federal taxable income. Adjustments are then made to reflect the difference between federal adjusted gross income and Vermont income.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="4" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single</th> <th style="text-align: center; border-bottom: 1px solid black;">Married Joint</th> <th style="text-align: center; border-bottom: 1px solid black;">Married Separate</th> <th style="text-align: center; border-bottom: 1px solid black;">Head-of-Household</th> <th style="text-align: center; border-bottom: 1px solid black;">Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$37,900</td> <td style="text-align: center;">\$0 - \$63,300</td> <td style="text-align: center;">\$0 - \$31,650</td> <td style="text-align: center;">\$0 - \$50,800</td> <td style="text-align: center;">3.55%</td> </tr> <tr> <td style="text-align: center;">37,901 - 91,850</td> <td style="text-align: center;">63,301 - 153,100</td> <td style="text-align: center;">31,651 - 76,550</td> <td style="text-align: center;">50,801 - 131,200</td> <td style="text-align: center;">6.80</td> </tr> <tr> <td style="text-align: center;">91,851 - 191,650</td> <td style="text-align: center;">153,101 - 233,300</td> <td style="text-align: center;">76,551 - 116,650</td> <td style="text-align: center;">131,201 - 212,450</td> <td style="text-align: center;">7.80</td> </tr> <tr> <td style="text-align: center;">191,651 - 416,650</td> <td style="text-align: center;">233,301 - 416,650</td> <td style="text-align: center;">116,651 - 208,325</td> <td style="text-align: center;">212,451 - 416,650</td> <td style="text-align: center;">8.80</td> </tr> <tr> <td style="text-align: center;">416,651 and over</td> <td style="text-align: center;">416,651 and over</td> <td style="text-align: center;">208,326 and over</td> <td style="text-align: center;">416,651 and over</td> <td style="text-align: center;">8.95</td> </tr> </tbody> </table> <p>If federal AGI exceeds \$150,000, Vermont tax cannot be less than federal AGI, excluding interest from U.S. obligations, times 3%.</p>	Taxable Income Brackets				Marginal	Single	Married Joint	Married Separate	Head-of-Household	Tax Rates	\$0 - \$37,900	\$0 - \$63,300	\$0 - \$31,650	\$0 - \$50,800	3.55%	37,901 - 91,850	63,301 - 153,100	31,651 - 76,550	50,801 - 131,200	6.80	91,851 - 191,650	153,101 - 233,300	76,551 - 116,650	131,201 - 212,450	7.80	191,651 - 416,650	233,301 - 416,650	116,651 - 208,325	212,451 - 416,650	8.80	416,651 and over	416,651 and over	208,326 and over	416,651 and over	8.95	<p>Same as federal.</p>
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NONBUSINESS TAX CREDITS	OTHER TAXES																																			
<ul style="list-style-type: none"> • Charitable housing investment • Child and dependent care expenses • Earned income tax credit • Elderly and disabled • Farm income averaging 	<ul style="list-style-type: none"> • Higher education investment • Income taxes paid to other state or Canadian province • Investment • Renter rebate 																																			
<ul style="list-style-type: none"> • Lump sum distributions • Tax credit recapture • Tax on qualified plans and tax-favored accounts • Use tax 																																				

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

VIRGINIA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS									
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exclusions for long-term gains from investments in certain state-certified technology businesses based in Virginia, and gains in connection with the historic rehabilitation tax credit; adjustment for the sale or transfer of land preservation credits.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Exempt for recipients of the Congressional Medal of Honor.</p> <p>Active Duty Military CZE and exempt up to \$15,000 of basic military pay if on extended active duty and up to \$3,000 of Virginia National Guard pay.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Virginia state and local obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Subtraction of up to \$20,000/person.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$4,000 to any VA 529 account, provided the claimant is the account owner.</p> <p>Lottery Winnings Virginia lottery prizes of less than \$600 exempt.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Age-based deduction, subject to income phase-out for persons age 65 to 79, no phase-out if over age 79. Subtractions for the salary of a federal or state employee with a total annual salary of less than \$15,000, work opportunity wages, annuity contract death benefit payments, certain Virginia college savings plan distributions or refunds, income attributable to first-time home buyer accounts, and income due to the discharge of a student loan due to the student's death. In addition, deductions for child and dependent care expenses, \$1,000 per child for foster parents, bone marrow donor screening fees, continuing teacher education costs, long-term 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>Standard:</p> <p>Single/H-H/Married-S\$3,000</p> <p>Married Joint6,000</p> <p>Itemized:</p> <p>Same as federal.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State and local income taxes are not deductible.</p> <p><u>Medical:</u> Deduction limited to expenses exceeding 10% of federal AGI.</p>									
TAX RATES AND BRACKETS		EXEMPTIONS									
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NONBUSINESS TAX CREDITS		OTHER TAXES									
<ul style="list-style-type: none"> • Agricultural best management practices • Conservation tillage equipment • Earned income or low-income • Educational improvement scholarships • Fertilizer and pesticide application equipment • Food crop donation • Foreign source retirement income • Historic rehabilitation 	<ul style="list-style-type: none"> • Income tax paid to other states • Land preservation • Livable home • Neighborhood assistance act • Qualified equity and subordinated debt investments • Riparian waterway buffer • Spousal tax adjustment • Trust beneficiary accumulated distribution 	<ul style="list-style-type: none"> • Consumer's use tax 									

WEST VIRGINIA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																					
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal.</p> <p>Pension/Retirement Income</p> <p>--Private Generally same as federal (see "Other").</p> <p>--Public Exempt if from West Virginia local police, deputy sheriffs, and firemen retirement systems. Others generally exclude up to \$2,000.</p> <p>--U.S. Civil Service Exclude up to \$2,000.</p> <p>--Military Same as U.S. Civil Service, plus exclude up to \$20,000 of military retirement income, 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 Same as federal.</p> <p>State/Municipal Bond Interest Taxable except West Virginia state and local obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal (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 Deduction of up to \$8,000 for age 65 or over or permanently and totally disabled, and, in the year following the death of such an individual, a deduction of up to \$8,000 for the surviving spouse. Earned income exclusion of up to \$10,000 (\$5,000 MS) for low-income taxpayers. Deduction for long-term care insurance premiums, contributions to autism trusts, and certain WV "EZ Pass" (tollway) expenditures.</p>		<p>Standard: None.</p> <p>Itemized: None.</p>																					
TAX RATES AND BRACKETS		EXEMPTIONS																					
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center;">Single/Married-J/H-H</th> <th style="text-align: center;">Married-S</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$9,999</td> <td style="text-align: center;">\$0 - \$4,999</td> <td style="text-align: center;">3.0%</td> </tr> <tr> <td style="text-align: center;">10,000 - 24,999</td> <td style="text-align: center;">5,000 - 12,499</td> <td style="text-align: center;">4.0</td> </tr> <tr> <td style="text-align: center;">25,000 - 39,999</td> <td style="text-align: center;">12,500 - 19,999</td> <td style="text-align: center;">4.5</td> </tr> <tr> <td style="text-align: center;">40,000 - 59,999</td> <td style="text-align: center;">20,000 - 29,999</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">60,000 and over</td> <td style="text-align: center;">30,000 and over</td> <td style="text-align: center;">6.5</td> </tr> </tbody> </table>		Taxable Income Brackets		Marginal Tax Rates	Single/Married-J/H-H	Married-S		\$0 - \$9,999	\$0 - \$4,999	3.0%	10,000 - 24,999	5,000 - 12,499	4.0	25,000 - 39,999	12,500 - 19,999	4.5	40,000 - 59,999	20,000 - 29,999	6.0	60,000 and over	30,000 and over	6.5	<p>Each federal exemption \$2,000</p> <p>Surviving spouse 2,000</p> <p>Dependent on another person's return 500</p>
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NONBUSINESS TAX CREDITS		OTHER TAXES																					
<ul style="list-style-type: none"> • Alternative fuels • Conceal carry gun permit • Family tax credit • Homestead excess property tax • Income tax paid to other states 	<ul style="list-style-type: none"> • Neighborhood investment • Nonfamily adoption • Senior citizen property tax • Qualified rehabilitated buildings investment 	<ul style="list-style-type: none"> • Use tax 																					

WISCONSIN

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																				
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exclusion for 60% of farm assets and 30% of other assets held more than one year and for gains from the sale of business assets used in farming to a related person and from the investment in a qualified Wisconsin business. Deferral for long-term gains reinvested in certain Wisconsin businesses. 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 exclusions for certain active duty pay of Reserve and National Guard members.</p> <p>Unemployment Compensation Exclusion of up to \$12,000 S/\$18,000 MJ based on federal AGI.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except certain Wisconsin obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Exclusion of up to \$5,200 per year.</p> <p>College Savings Plans Same as federal, plus deduction for contributions of up to \$3,140 per beneficiary (\$1,570 MS) to Wisconsin's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for certain medical insurance and health insurance premiums, long-term care insurance, adoption expenses, organ donation expenses, private school tuition expenses, and child care expenses. Exclusions for all income received by an armed forces member who suffers a combat-related death while on active duty, certain legislative per diems, 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, and all prizes and medals received by Olympics, Paralympics, and Special Olympics participants. Distributions from a passive foreign investment company and IRAs transferred for charitable purposes are taxable. Federal deductions for which WI provides tax credits are added back to AGI. A separate deduction for WI higher education expenses replaces the federal deduction.</p>	<p>Standard: Sliding scale standard deduction.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Filing Status</th> <th style="text-align: center;">Standard Deduction</th> <th style="text-align: center;">Income Range for Deduction Phase-Out</th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: center;">\$10,380</td> <td style="text-align: center;">\$14,959-\$101,460</td> </tr> <tr> <td>H-H</td> <td style="text-align: center;">13,400</td> <td style="text-align: center;">14,959 - 101,460</td> </tr> <tr> <td>Married-J</td> <td style="text-align: center;">19,210</td> <td style="text-align: center;">21,589 - 118,718</td> </tr> <tr> <td>Married-S</td> <td style="text-align: center;">9,130</td> <td style="text-align: center;">10,249 - 56,412</td> </tr> </tbody> </table> <p>Itemized: Itemized deduction credit of 5% after subtraction of sliding scale standard deduction.</p> <p>Major Differences from Federal Law: <u>Medical:</u> Medical care and long-term care insurance payments claimed as state subtractions from federal AGI are not allowed; deduction floor equals 10%. <u>Taxes:</u> No credit 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 not treated as interest. <u>Casualty/Theft:</u> No credit for casualty and theft losses, unless related to a federally-declared disaster. <u>Miscellaneous:</u> No credit.</p>	Filing Status	Standard Deduction	Income Range for Deduction Phase-Out	Single	\$10,380	\$14,959-\$101,460	H-H	13,400	14,959 - 101,460	Married-J	19,210	21,589 - 118,718	Married-S	9,130	10,249 - 56,412					
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Single	\$10,380	\$14,959-\$101,460																			
H-H	13,400	14,959 - 101,460																			
Married-J	19,210	21,589 - 118,718																			
Married-S	9,130	10,249 - 56,412																			
TAX RATES AND BRACKETS	EXEMPTIONS																				
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single/H-H</th> <th style="text-align: center; border-bottom: 1px solid black;">Married Joint</th> <th style="text-align: center; border-bottom: 1px solid black;">Married Separate</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$11,229</td> <td style="text-align: center;">\$0 - \$14,979</td> <td style="text-align: center;">\$0 - \$7,489</td> <td style="text-align: center;">4.00%</td> </tr> <tr> <td style="text-align: center;">11,230 - 22,469</td> <td style="text-align: center;">14,980 - 29,959</td> <td style="text-align: center;">7,490 - 14,979</td> <td style="text-align: center;">5.84</td> </tr> <tr> <td style="text-align: center;">22,470 - 247,349</td> <td style="text-align: center;">29,960 - 329,809</td> <td style="text-align: center;">14,980 - 164,899</td> <td style="text-align: center;">6.27</td> </tr> <tr> <td style="text-align: center;">247,350 and over</td> <td style="text-align: center;">329,810 and over</td> <td style="text-align: center;">164,900 and over</td> <td style="text-align: center;">7.65</td> </tr> </tbody> </table>	Single/H-H	Married Joint	Married Separate	Marginal Tax Rates	\$0 - \$11,229	\$0 - \$14,979	\$0 - \$7,489	4.00%	11,230 - 22,469	14,980 - 29,959	7,490 - 14,979	5.84	22,470 - 247,349	29,960 - 329,809	14,980 - 164,899	6.27	247,350 and over	329,810 and over	164,900 and over	7.65	<p>Single/H-H/Married-S \$700</p> <p>Married Joint 1,400</p> <p>Dependent 700</p> <p>Age 65 and over 250</p>
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NONBUSINESS TAX CREDITS	OTHER TAXES																				
<ul style="list-style-type: none"> • Angel investment • Armed forces members • Earned income • Farmland preservation • Historical rehabilitation • Homestead • Income taxes paid to other states 	<ul style="list-style-type: none"> • Itemized deductions • Married couple (two earner) • Property tax/rent • Repayment (claim of right) • Veterans and surviving spouses property tax • Working families • Minimum tax • Penalties on retirement plans & MSAs • Use tax 																				