

State Individual Income Tax Rates and Brackets for 2015

By Jared Walczak
Policy Analyst

Individual income taxes are a major source of state government revenue, accounting for 35 percent of state tax collections.¹ Their prominence in public policy considerations is further enhanced by the fact that individuals are directly responsible for paying their income taxes, in contrast to the indirect payment of sales and excise taxes. To many taxpayers, the personal income tax is practically synonymous with their own tax burdens.

Forty-three states levy individual income taxes. Forty-one tax wage and salary income, while two states—New Hampshire and Tennessee—exclusively tax dividend and investment income. Seven states levy no income tax at all.

Of those states taxing wages, eight have single-rate tax structures, with one rate applying to all taxable income. Conversely, thirty-three states levy graduated-rate income taxes, with the number of brackets varying widely by state. Three states—Kansas, Nebraska, and Oregon—impose two-rate income taxes. At the other end of the spectrum, three states have ten or more tax brackets, led by Hawaii with twelve. Top marginal rates range from Pennsylvania's 3.07 percent to California's 13.3 percent.

In some states, a large number of brackets are clustered within a narrow income band; Missouri taxpayers reach the state's tenth and highest bracket at \$9,001 in annual income. In other states, the top marginal rate kicks in at \$500,000 (New Jersey) or even \$1,000,000 (California, if one counts the state's "millionaire's tax" surcharge).

States' approaches to income taxes vary in other details as well. Some states double their single-bracket widths for married filers (avoiding the "marriage penalty") and index tax brackets, exemptions, and deductions for inflation; many others do not. Some states tie their standard deductions and personal exemptions to the federal tax code, while others set their own or offer none at all. In the following table, we provide the most up-to-date data available on state individual income tax rates, brackets, standard deductions, and personal exemptions for both single and joint filers.

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Editor, Melodie Bowler
Designer, Dan Carvajal

Tax Foundation
1325 G Street, NW, Suite 950
Washington, DC 20005

202.464.6200

taxfoundation.org

1 U.S. Census Bureau, *State & Local Government Finance, Fiscal Year 2012*, <http://www.census.gov/govs/local/>.

Notable Individual Income Tax Changes in 2015

Several states changed key features of their individual income tax codes between 2014 and 2015. These changes include:

- the sunset of Illinois' temporary income tax rate hike, with the flat rate reverting from 5 to 3.75 percent;²
- the trimming of Indiana's top rate from 3.4 to 3.3 percent;³
- an automatically triggered rate reduction from 5.2 to 5.15 percent in Massachusetts;⁴
- the reduction of North Carolina's rate to 5.75 percent, down from 5.8 percent in 2014 and 7.75 percent in 2013 as part of its historic 2013 tax reform package;⁵ and
- the introduction of a new bracket in the District of Columbia which subjects income between \$40,000 and \$60,000 to a 7 percent rate rather than including it in the 8.5 percent bracket.⁶

2 Bob Sexter & Rick Pearson, *Illinois Income Tax Rate Falls 25 Percent*, *Chicago Tribune*, Jan. 1, 2014, <http://www.chicagotribune.com/news/local/breaking/ct-illinois-income-tax-rate-falls-met-20141230-story.html>.

3 Joseph Henchman, *Indiana Approves Income Tax Reduction*, TAX FOUNDATION TAX POLICY BLOG, May 14, 2013, <http://taxfoundation.org/blog/indiana-approves-income-tax-reduction>.

4 Joshua Miller, *Mass. Tax Rate Takes Slight Dip*, *Boston Globe*, Jan. 1, 2015, <http://www.bostonglobe.com/metro/2014/12/31/income-tax-rate-fall-jan/Oz4PxxHvtSxWOFja3EDZfO/story.html>.

5 Liz Malm, *North Carolina House, Senate, and Governor Announce Tax Agreement*, TAX FOUNDATION TAX POLICY BLOG, Jul. 15, 2013, <http://taxfoundation.org/blog/north-carolina-house-senate-and-governor-announce-tax-agreement>.

6 Joseph Henchman, *D.C. Council to Vote on Tax Reform Package Today*, TAX FOUNDATION TAX POLICY BLOG, June 24, 2014, <http://taxfoundation.org/blog/dc-council-vote-tax-reform-package-today>.

State Individual Income Tax Rates and Brackets for 2015

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Ala.	2.00%	> \$0	2.00%	> \$0	\$2,500	\$7,500	\$1,500	\$3,000	\$1,000
(b, f)	4.00%	> \$500	4.00%	> \$1,000					
	5.00%	> \$3,000	5.00%	> \$6,000					
Alaska	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
Ariz.	2.59%	> \$0	2.59%	> \$0	\$5,009	\$10,010	\$2,100	\$4,200	\$2,300
(e)	2.88%	> \$10,000	2.88%	> \$20,000					
	3.36%	> \$25,000	3.36%	> \$50,000					
	4.24%	> \$50,000	4.24%	> \$100,000					
	4.54%	> \$150,000	4.54%	> \$300,000					
Ark.	1.00%	> \$0	1.00%	> \$0	\$2,000	\$4,000	\$26	\$52	\$26
(d, e)	2.50%	> \$4,299	2.50%	> \$4,299					
	3.50%	> \$8,399	3.50%	> \$8,399					
	4.50%	> \$12,599	4.50%	> \$12,599					
	6.00%	> \$20,999	6.00%	> \$20,999					
	7.00%	> \$35,099	7.00%	> \$35,099					
Calif.	1.00%	> \$0	1.00%	> \$0	\$3,992	\$7,984	\$108	\$216	\$333
(a, e,	2.00%	> \$7,749	2.00%	> \$15,498					
r, s)	4.00%	> \$18,371	4.00%	> \$36,742					
	6.00%	> \$28,995	6.00%	> \$57,990					
	8.00%	> \$40,250	8.00%	> \$80,500					
	9.30%	> \$50,689	9.30%	> \$101,378					
	10.30%	> \$259,844	10.30%	> \$519,688					
	11.30%	> \$311,812	11.30%	> \$623,624					
	12.30%	> \$519,867	12.30%	> \$1,039,734					
	13.30%	> \$1,000,000	13.30%	> \$1,039,374					
Colo.	4.63% of federal taxable income		4.63% of federal taxable income		n.a.	n.a.	n.a.	n.a.	n.a.
Conn.	3.00%	> \$0	3.00%	> \$0	n.a.	n.a.	\$15,000	\$24,000	\$0
(t, u)	5.00%	> \$10,000	5.00%	> \$20,000					
	5.50%	> \$50,000	5.50%	> \$100,000					
	6.00%	> \$100,000	6.00%	> \$200,000					
	6.50%	> \$200,000	6.50%	> \$400,000					
	6.70%	> \$250,000	6.70%	> \$500,000					
Del.	2.20%	> \$2,000	2.20%	> \$2,000	\$3,250	\$6,500	\$110	\$220	\$110
(f, r, v)	3.90%	> \$5,000	3.90%	> \$5,000					
	4.80%	> \$10,000	4.80%	> \$10,000					
	5.20%	> \$20,000	5.20%	> \$20,000					
	5.55%	> \$25,000	5.55%	> \$25,000					
	6.60%	> \$60,000	6.60%	> \$60,000					
Fla.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
Ga.	1.00%	> \$0	1.00%	> \$0	\$2,300	\$3,000	\$2,700	\$7,400	\$3,000
	2.00%	> \$750	2.00%	> \$1,000					
	3.00%	> \$2,250	3.00%	> \$3,000					
	4.00%	> \$3,750	4.00%	> \$5,000					
	5.00%	> \$5,250	5.00%	> \$7,000					
	6.00%	> \$7,000	6.00%	> \$10,000					
Hawaii	1.40%	> \$0	1.40%	> \$0	\$2,200	\$4,400	\$1,144	\$2,288	\$1,144
(w)	3.20%	> \$2,400	3.20%	> \$4,800					
	5.50%	> \$4,800	5.50%	> \$9,600					
	6.40%	> \$9,600	6.40%	> \$19,200					
	6.80%	> \$14,400	6.80%	> \$28,800					
	7.20%	> \$19,200	7.20%	> \$38,400					
	7.60%	> \$24,000	7.60%	> \$48,000					
	7.90%	> \$36,000	7.90%	> \$72,000					
	8.25%	> \$48,000	8.25%	> \$96,000					
	9.00%	> \$150,000	9.00%	> \$300,000					
	10.00%	> \$175,000	10.00%	> \$350,000					
	11.00%	> \$200,000	11.00%	> \$400,000					
Idaho	1.60%	> \$0	1.60%	> \$0	\$6,300	\$12,600	\$4,000	\$8,000	\$4,000
(e, p)	3.60%	> \$1,428	3.60%	> \$2,857					
	4.10%	> \$2,857	4.10%	> \$5,715					
	5.10%	> \$4,286	5.10%	> \$8,573					
	6.10%	> \$5,715	6.10%	> \$11,431					
	7.10%	> \$7,144	7.10%	> \$14,289					
	7.40%	> \$10,717	7.40%	> \$21,436					
Ill.	3.75% of federal taxable income		3.75% of federal taxable income		n.a.	n.a.	\$2,125	\$4,250	\$2,125
Ind. (x)	3.3% of federal taxable income		3.3% of federal taxable income		n.a.	n.a.	\$1,000	\$2,000	\$1,500

State Individual Income Tax Rates and Brackets for 2015

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Iowa	0.36% >	\$0	0.36% >	\$0	\$1,950	\$4,810	\$40	\$80	\$40
(a, e, f, r)	0.72% >	\$1,539	0.72% >	\$1,539					
	2.43% >	\$3,078	2.43% >	\$3,078					
	4.50% >	\$6,156	4.50% >	\$6,156					
	6.12% >	\$13,851	6.12% >	\$13,851					
	6.48% >	\$23,085	6.48% >	\$23,085					
	6.80% >	\$30,780	6.80% >	\$30,780					
	7.92% >	\$46,170	7.92% >	\$46,170					
	8.98% >	\$69,255	8.98% >	\$69,255					
Kans.	2.70% >	\$0	2.70% >	\$0	\$3,000	\$7,500	\$2,250	\$4,500	\$2,250
	4.60% >	\$15,000	4.60% >	\$30,000					
Ky.	2.00% >	\$0	2.00% >	\$0	\$2,440	\$2,440	\$20	\$40	\$20
(r)	3.00% >	\$3,000	3.00% >	\$3,000					
	4.00% >	\$4,000	4.00% >	\$4,000					
	5.00% >	\$5,000	5.00% >	\$5,000					
	5.80% >	\$8,000	5.80% >	\$8,000					
	6.00% >	\$75,000	6.00% >	\$75,000					
La.	2.00% >	\$0	2.00% >	\$0	n.a.	n.a.	\$4,500	\$9,000	\$1,000
(f, n)	4.00% >	\$12,500	4.00% >	\$25,000					
	6.00% >	\$50,000	6.00% >	\$100,000					
Maine	6.50% >	\$5,199	6.50% >	\$10,449	\$6,300	\$12,600	\$4,000	\$8,000	\$4,000
(e, p)	7.95% >	\$20,899	7.95% >	\$41,849					
Md.	2.00% >	\$0	2.00% >	\$0	\$2,000	\$4,000	\$3,200	\$6,400	\$3,200
(o, y)	3.00% >	\$1,000	3.00% >	\$1,000					
	4.00% >	\$2,000	4.00% >	\$2,000					
	4.75% >	\$3,000	4.75% >	\$3,000					
	5.00% >	\$100,000	5.00% >	\$150,000					
	5.25% >	\$125,000	5.25% >	\$175,000					
	5.50% >	\$150,000	5.50% >	\$225,000					
	5.75% >	\$250,000	5.75% >	\$300,000					
Mass.	5.15% >	\$0	5.15% >	\$0	n.a.	n.a.	\$4,400	\$8,800	\$1,000
Mich.	4.25% of federal AGI with modification		4.25% of federal AGI with modification		n.a.	n.a.	\$4,000	\$4,000	n.a.
Minn.	5.35% >	\$0	5.35% >	\$0	\$6,300	\$12,600	\$4,000	\$8,000	\$4,000
(e, p)	7.05% >	\$25,070	7.05% >	\$36,650					
	7.85% >	\$82,360	7.85% >	\$145,620					
	9.85% >	\$154,950	9.85% >	\$258,260					
Miss.	3.00% >	\$0	3.00% >	\$0	\$2,300	\$4,600	\$6,000	\$12,000	\$1,500
	4.00% >	\$5,000	4.00% >	\$5,000					
	5.00% >	\$10,000	5.00% >	\$10,000					
Mo.	1.50% >	\$0	1.50% >	\$0	\$6,300	\$12,600	\$2,100	\$4,200	\$1,200
(p)	2.00% >	\$1,000	2.00% >	\$1,000					
	2.50% >	\$2,000	2.50% >	\$2,000					
	3.00% >	\$3,000	3.00% >	\$3,000					
	3.50% >	\$4,000	3.50% >	\$4,000					
	4.00% >	\$5,000	4.00% >	\$5,000					
	4.50% >	\$6,000	4.50% >	\$6,000					
	5.00% >	\$7,000	5.00% >	\$7,000					
	5.50% >	\$8,000	5.50% >	\$8,000					
	6.00% >	\$9,000	6.00% >	\$9,000					
Mont.	1.00% >	\$0	1.00% >	\$0	\$4,370	\$8,740	\$2,330	\$4,660	\$2,330
(a, e, f, q)	2.00% >	\$2,800	2.00% >	\$2,800					
	3.00% >	\$5,000	3.00% >	\$5,000					
	4.00% >	\$7,600	4.00% >	\$7,600					
	5.00% >	\$10,300	5.00% >	\$10,300					
	6.00% >	\$13,300	6.00% >	\$13,300					
	6.90% >	\$17,000	6.90% >	\$17,000					
Nebr.	2.46% >	\$0	2.46% >	\$0	\$5,800	\$11,600	\$130	\$260	\$130
(e, r)	3.51% >	\$3,050	3.51% >	\$6,090					
	5.01% >	\$18,280	5.01% >	\$36,570					
	6.84% >	\$29,460	6.84% >	\$58,920					
Nev.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
N.H. (c)	5.00% >	\$0	5.00% >	\$0	n.a.	n.a.	\$2,400	\$4,800	n.a.
N.J.	1.40% >	\$0	1.40% >	\$0	n.a.	n.a.	\$1,000	\$2,000	\$1,500
	1.75% >	\$20,000	1.75% >	\$20,000					
	3.50% >	\$35,000	2.45% >	\$50,000					
	5.525% >	\$40,000	3.50% >	\$70,000					
	6.37% >	\$75,000	5.525% >	\$80,000					
	8.97% >	\$500,000	6.37% >	\$150,000					
			8.97% >	\$500,000					
N.M.	1.70% >	\$0	1.70% >	\$0	\$6,300	\$12,600	\$4,000	\$4,000	\$4,000
(i)	3.20% >	\$5,500	3.20% >	\$8,000					
	4.70% >	\$11,000	4.70% >	\$16,000					
	4.90% >	\$16,000	4.90% >	\$24,000					

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State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
N.Y.	4.00%	> \$0	4.00%	> \$0	\$7,900	\$15,850	n.a.	n.a.	\$1,000
(e)	4.50%	> \$8,400	4.50%	> \$16,950					
	5.25%	> \$11,600	5.25%	> \$23,300					
	5.90%	> \$13,750	5.90%	> \$27,550					
	6.45%	> \$21,150	6.45%	> \$42,450					
	6.65%	> \$79,600	6.65%	> \$159,350					
	6.85%	> \$212,500	6.85%	> \$318,750					
	8.82%	> \$1,062,650	8.82%	> \$2,125,450					
N.C.	5.75%	> \$0	5.75%	> \$0	\$7,500	\$15,000	n.a.	n.a.	n.a.
N.D.	1.22%	> \$0	1.22%	> \$0	\$6,300	\$12,600	\$4,000	\$8,000	\$4,000
(e, p, z)	2.27%	> \$36,900	2.27%	> \$61,700					
	2.52%	> \$89,350	2.52%	> \$148,850					
	2.93%	> \$186,350	2.93%	> \$226,850					
	3.22%	> \$405,100	3.22%	> \$405,100					
Ohio	0.528%	> \$0	0.528%	> \$0	n.a.	n.a.	\$2,200	\$4,400	\$2,200
(a, e, g)	1.057%	> \$5,200	1.057%	> \$5,200					
	2.113%	> \$10,400	2.113%	> \$10,400					
	2.642%	> \$15,650	2.642%	> \$15,650					
	3.169%	> \$20,900	3.169%	> \$20,900					
	3.698%	> \$41,700	3.698%	> \$41,700					
	4.226%	> \$83,350	4.226%	> \$83,350					
	4.906%	> \$104,250	4.906%	> \$104,250					
	5.333%	> \$208,500	5.333%	> \$208,500					
Okla.	0.50%	> \$0	0.50%	> \$0	\$5,950	\$11,900	\$1,000	\$2,000	\$1,000
(h)	1.00%	> \$1,000	1.00%	> \$2,000					
	2.00%	> \$2,500	2.00%	> \$5,000					
	3.00%	> \$3,750	3.00%	> \$7,500					
	4.00%	> \$4,900	4.00%	> \$9,800					
	5.00%	> \$7,200	5.00%	> \$12,200					
	5.25%	> \$8,700	5.25%	> \$15,000					
Ore.	5.00%	> \$0	5.00%	> \$0	\$2,145	\$4,295	\$194	\$388	\$194
(e, f)	7.00%	> \$3,350	7.00%	> \$6,700					
	9.00%	> \$8,400	9.00%	> \$16,800					
	9.90%	> \$125,000	9.90%	> \$250,000					
Pa.	3.07%	> \$0	3.07%	> \$0	n.a.	n.a.	n.a.	n.a.	n.a.
R.I.	3.75%	> \$0	3.75%	> \$0	\$8,275	\$16,550	\$3,850	\$7,700	\$3,850
(e, k)	4.75%	> \$60,500	4.75%	> \$60,500					
	5.99%	> \$137,650	5.99%	> \$137,650					
S.C.	0.00%	> \$0	0.00%	> \$0	\$6,300	\$12,600	\$4,000	\$8,000	\$4,000
(e, p)	3.00%	> \$2,880	3.00%	> \$2,880					
	4.00%	> \$5,760	4.00%	> \$5,760					
	5.00%	> \$8,640	5.00%	> \$8,640					
	6.00%	> \$11,520	6.00%	> \$11,520					
	7.00%	> \$14,400	7.00%	> \$14,400					
S.D.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
Tenn. (c)	6.00%	> \$0	6.00%	> \$0	n.a.	n.a.	\$1,250	\$2,500	n.a.
Tex.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
Utah	5.00%	> \$0	5.00%	> \$0	(l)	(l)	\$3,000	\$6,000	\$3,000
Vt.	3.55%	> \$0	3.55%	> \$0	\$6,300	\$12,600	\$4,000	\$4,000	\$4,000
(a, e, p)	6.80%	> \$37,450	6.80%	> \$62,600					
	7.80%	> \$90,750	7.80%	> \$151,200					
	8.80%	> \$189,300	8.80%	> \$230,450					
	8.95%	> \$411,500	8.95%	> \$411,500					
Va.	2.00%	> \$0	2.00%	> \$0	\$3,000	\$6,000	\$930	\$1,860	\$930
	3.00%	> \$3,000	3.00%	> \$3,000					
	5.00%	> \$5,000	5.00%	> \$5,000					
	5.75%	> \$17,000	5.75%	> \$17,000					
Wash.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
W.Va.	3.00%	> \$0	3.00%	> \$0	n.a.	n.a.	\$2,000	\$4,000	\$2,000
	4.00%	> \$10,000	4.00%	> \$10,000					
	4.50%	> \$25,000	4.50%	> \$25,000					
	6.00%	> \$40,000	6.00%	> \$40,000					
	6.50%	> \$60,000	6.50%	> \$60,000					
Wis.	4.00%	> \$0	4.00%	> \$0	\$10,250	\$18,460	\$700	\$1,400	\$700
(e, m)	5.84%	> \$11,090	5.84%	> \$14,790					
	6.27%	> \$22,190	6.27%	> \$29,580					
	7.65%	> \$244,270	7.65%	> \$325,700					
Wyo.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
D.C.	4.00%	> \$0	4.00%	> \$0	\$5,200	\$6,650	\$2,200	\$2,200	\$2,200
(j)	6.00%	> \$10,000	6.00%	> \$10,000					
	7.00%	> \$40,000	7.00%	> \$40,000					
	8.50%	> \$60,000	8.50%	> \$60,000					
	8.95%	> \$350,000	8.95%	> \$350,000					

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State Individual Income Tax Rates and Brackets for 2015

- (a) 2014 tax information.
- (b) For single taxpayers with AGI below \$20,000, the standard deduction is \$2,500. This standard deduction amount is reduced by \$25 for every additional \$500 of AGI, not to fall below \$2,000. For Married Filing Joint taxpayers with AGI below \$20,000, the standard deduction is \$7,500. This standard deduction amount is reduced by \$175 for every additional \$500, not to fall below \$4,000. For all taxpayers claiming a dependent with AGI below \$20,000, the dependent exemption is \$1,000. This amount is reduced to \$500 per dependent for taxpayers with AGI above \$20,000 and below \$100,000. For taxpayers with over \$100,000 AGI, the dependent exemption is \$300 per dependent.
- (c) Applies to interest and dividend income only.
- (d) Rates apply to regular tax table. A special tax table is available for low income taxpayers that reduces their tax payments.
- (e) Bracket levels adjusted for inflation each year. Release dates for tax bracket inflation adjustments vary by state and may fall after the end of the applicable tax year.
- (f) These states allow some or all of federal income tax paid to be deducted from state taxable income.
- (g) Ohio's personal and dependent exemptions are \$2,200 for an AGI of \$40,000 or less, \$1,950 if AGI is between \$40,001 and \$79,999, and \$1,700 if AGI is \$80,000 or above.
- (h) The top rate is scheduled to be reduced to 5.0% in tax year 2016 and 4.85% in subsequent tax years, contingent upon certain revenue growth.
- (i) Tied to federal tax system, plus an additional \$2,500 if federal AGI is equal to or less than \$36,667 (single) or \$55,000 (married filing jointly).(j) Deduction and exemption amounts for 2015 subject to funding. Rate reductions for income between \$40,001 and \$100,000 scheduled for 2016 and subsequent tax years, subject to funding.
- (k) The phase-out range for the personal exemption and deduction is \$192,700 - \$214,700. The exemptions and deductions are completely phased out at a modified federal AGI of \$214,700.
- (l) The standard deduction is taken in the form of a nonrefundable credit of 6% of the federal standard or itemized deduction amount, excluding the deduction for state or local income tax. This credit phases out (in 2014) at 1.3 cents per dollar above \$13,590 of AGI (\$27,180 for married couples).
- (m) The standard deduction phases out by 12% at \$14,779 for single filers and 19.778% at \$20,739 for married filing jointly. The standard deduction phases out to zero at \$101,197 for single filers, \$114,076 for joint filers.
- (n) Standard deductions and personal exemptions are combined: \$4,500 for single and married filing separately; \$9,000 married filing jointly and head of household.
- (o) The standard deduction is 15 percent of income with a minimum of \$1,500 and a cap of \$2,000 for single filers, married filing separately filers, and dependent filers earning more than \$13,333. The standard deduction is a minimum of \$3,000 and capped at \$4,000 for married filing jointly filers, head of households filers, and qualifying widowers earning more than \$26,667.
- (p) Deduction or exemption tied to federal tax system. Federal deductions and exemptions are indexed for inflation.
- (q) Montana filers' standard deduction is 20% of AGI. For single taxpayers, the deduction must be between \$1,940 and \$4,370. For married taxpayers, the deduction must be between \$3,880 and \$8,740.
- (r) Tax Credit.
- (s) Exemption credits phase out for single taxpayers by \$6 for each \$2,500 of AGI above \$169,730 and for joint filers by \$12 for each \$2,500 of AGI above \$339,464. The credit cannot be reduced to below zero.
- (t) Connecticut has a complex set of phase-out provisions. For each single taxpayer whose Connecticut AGI exceeds \$56,500, the amount of the taxpayer's Connecticut taxable income to which the 3% tax rate applies shall be reduced by \$1,000 for each \$5,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds said amount. Any such amount will have a tax rate of 5% instead of 3%. Additionally, each single taxpayer whose Connecticut AGI exceeds \$200,000 shall pay an amount equal to \$75 for each \$5,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds \$200,000, up to a maximum payment of \$2,250. For joint filers whose Connecticut AGI exceeds \$100,500, the amount of the taxpayer's Connecticut taxable income to which the 3% tax rate applies shall be reduced by \$2,000 for each \$5,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds said amount. Any such amount of Connecticut taxable income to which, as provided in the preceding sentence, the 3% tax rate does not apply shall be an amount to which the 5% tax rate shall apply. For joint filers whose Connecticut AGI exceeds \$400,000 dollars shall pay, in addition to the amount above, an amount equal to \$150 for each \$10,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds \$400,000, up to a maximum payment of \$4,500. Conn. Gen. Stat. § 12-700 (2015).
- (u) Connecticut taxpayers are also given a personal tax credit based upon certain income constraints, which begins at \$15,000 and completely phases out by \$1,000 for every \$1,000 of AGI over \$30,000.
- (v) In addition to the personal income tax rates, Delaware imposes a tax on lump-sum distributions.
- (w) Additionally, Hawaii allows any taxpayer, other than a corporation, acting as a business entity in more than one state and required to file a return to elect to report and pay a tax of 0.5 percent of its annual gross sales if (1) the taxpayer's only activities in the state consist of sales, (2) the taxpayer does not own or rent real estate or tangible personal property, and (3) the taxpayer's annual gross sales in the state are not in excess of \$100,000. Haw. Rev. Stat. § 235-51 (2015).
- (x) \$1,000 is a base exemption. If dependents meet certain conditions, filers can take an additional \$1,500 exemption for each.
- (y) The exemption amount has the following phase out schedule: if AGI is above \$100,000 but below \$125,000, exemption is \$1,600; if AGI is above \$125,000 but below \$150,000, exemption is \$800; if AGI is above \$150,000, no exemption.
- (z) Federal taxable income is the starting point for North Dakota, so the federal standard deduction and exemptions are built-in.