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State Individual Income Tax Rates and Brackets for 2017

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Key Findings:

- Individual income taxes are a major source of state government revenue, accounting for 36 percent of state tax collections.
- 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 interest 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, 33 states levy graduated-rate income taxes, with the number of brackets varying widely by state. California and Missouri each have ten brackets, the most in the country.
- States' approaches to income taxes vary in other details as well. Some states double their single-bracket widths for married filers to avoid the "marriage penalty." Some states 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.

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Individual income taxes are a major source of state government revenue, accounting for 36 percent of state tax collections.¹ Their prominence in public policy considerations is further enhanced by the fact that individuals are directly responsible for filing 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 interest. Seven states levy no income tax at all. Tennessee is currently phasing out its Hall Tax (income tax applied only to dividends and interest income) and will repeal its income tax entirely by 2022.²

Of those states taxing wages, eight have single-rate tax structures, with one rate applying to all taxable income. Conversely, 33 states levy graduated-rate income taxes, with the number of brackets varying widely by state. Kansas, for example, imposes a two-bracket income tax system. At the other end of the spectrum, two states—California and Missouri—each have 10 tax brackets. Top marginal rates range from North Dakota's 2.9 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 \$9,072 in annual income. In other states, the top marginal rate kicks in at \$500,000 (New Jersey) or even \$1 million (California, when one includes 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 to avoid the "marriage penalty." Some states 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.

1 U.S. Census Bureau, State & Local Government Finance, Fiscal Year 2014, <http://www.census.gov/govs/local/>.

2 Tennessee Department of Revenue, Hall Income Tax Notice, July 2016. <https://www.tn.gov/assets/entities/revenue/attachments/16-05Hall.pdf>.

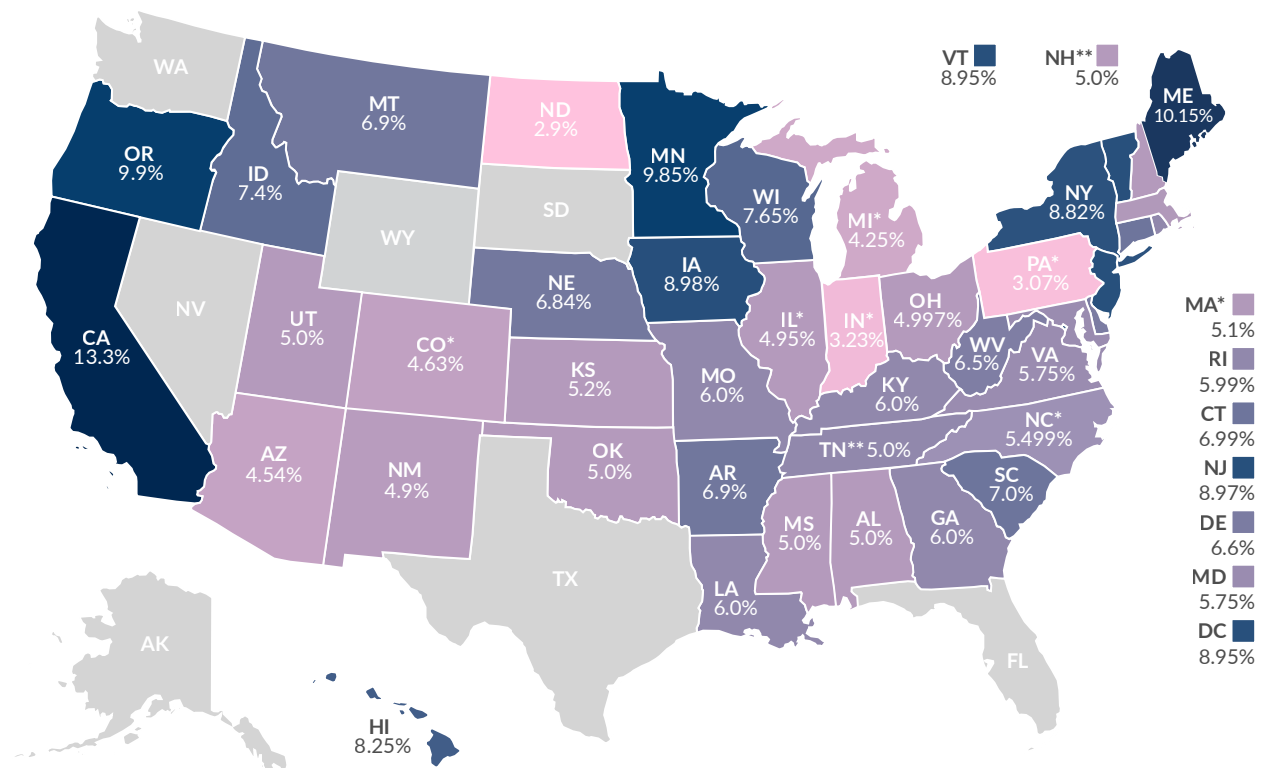
Notable Individual Income Tax Changes in 2017

Several states changed key features of their individual income tax codes between 2016 and 2017. These changes include:

- Indiana reduced its individual income tax rate from 3.3 to 3.23 percent.³
- North Carolina reduced its income tax rate from 5.75 to 5.499 percent as part of a broader tax reform package.⁴

How High Are Income Tax Rates in Your State?

Top State Marginal Individual Income Tax Rates as of July 1, 2017



State Individual Income Tax Rates and Brackets for 2017

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Ala. (b, f)	2.00%	> \$0	2.00%	> \$0	\$2,500	\$7,500	\$1,500	\$3,000	\$1,000
	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. (e)	2.59%	> \$0	2.59%	> \$0	\$5,099	\$10,189	\$2,100	\$4,200	\$2,100
	2.88%	> \$10,179	2.88%	> \$20,357					
	3.36%	> \$25,445	3.36%	> \$50,890					
	4.24%	> \$50,890	4.24%	> \$101,779					
	4.54%	> \$152,668	4.54%	> \$305,336					
Ark. (a, d, e, bb)	0.90%	> \$0	0.90%	> \$0	\$2,200	\$4,400	\$26	\$52	\$26
	2.50%	> \$4,299	2.50%	> \$4,299					
	3.50%	> \$8,500	3.50%	> \$8,500					
	4.50%	> \$12,699	4.50%	> \$12,699					
	6.00%	> \$21,199	6.00%	> \$21,199					
	6.90%	> \$35,100	6.90%	> \$35,100					
Calif. (e, r, s)	1.00%	> \$0	1.00%	> \$0	\$4,129	\$8,258	\$111	\$222	\$344
	2.00%	> \$8,015	2.00%	> \$16,030					
	4.00%	> \$19,001	4.00%	> \$38,002					
	6.00%	> \$29,989	6.00%	> \$59,978					
	8.00%	> \$41,629	8.00%	> \$83,258					
	9.30%	> \$52,612	9.30%	> \$105,224					
	10.30%	> \$268,750	10.30%	> \$537,500					
	11.30%	> \$322,499	11.30%	> \$644,998					
	12.30%	> \$537,498	12.30%	> \$1,000,000					
	13.30%	> \$1,000,000	13.30%	> \$1,074,996					
Colo.	4.63% of federal taxable income		4.63% of federal taxable income		n.a.	n.a.	n.a.	n.a.	n.a.
Conn. (t, u)	3.00%	> \$0	3.00%	> \$0	n.a.	n.a.	\$15,000	\$24,000	\$0
	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					
	6.90%	> \$250,000	6.90%	> \$500,000					
	6.99%	> \$500,000	6.99%	> \$1,000,000					
Del. (f, r, v)	2.20%	> \$2,000	2.20%	> \$2,000	\$3,250	\$6,500	\$110	\$220	\$110
	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					

State Individual Income Tax Rates and Brackets for 2017, *Continued*

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
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 (w)	1.40%	> \$0	1.40%	> \$0	\$2,200	\$4,400	\$1,144	\$2,288	\$1,144
	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					
Idaho (a, e, p)	1.60%	> \$0	1.60%	> \$0	\$6,350	\$12,700	\$4,050	\$8,100	\$4,050
	3.60%	> \$1,454	3.60%	> \$2,908					
	4.10%	> \$2,908	4.10%	> \$5,816					
	5.10%	> \$4,362	5.10%	> \$8,724					
	6.10%	> \$5,816	6.10%	> \$11,632					
	7.10%	> \$7,270	7.10%	> \$14,540					
	7.40%	> \$10,905	7.40%	> \$21,810					
Ill.	4.95% of federal taxable income		4.95% of federal taxable income		n.a.	n.a.	\$2,175	\$4,350	\$2,175
Ind. (x)	3.23% of federal taxable income		3.23% of federal taxable income		n.a.	n.a.	\$1,000	\$2,000	\$1,500
Iowa (f, r)	0.36%	> \$0	0.36%	> \$0	\$2,000	\$4,920	\$40	\$80	\$40
	0.72%	> \$1,573	0.72%	> \$1,573					
	2.43%	> \$3,146	2.43%	> \$3,146					
	4.50%	> \$6,292	4.50%	> \$6,292					
	6.12%	> \$14,157	6.12%	> \$14,157					
	6.48%	> \$23,595	6.48%	> \$23,595					
	6.80%	> \$31,460	6.80%	> \$31,460					
	7.92%	> \$47,190	7.92%	> \$47,190					
	8.98%	> \$70,785	8.98%	> \$70,785					
Kans.	2.90%	> \$0	2.90%	> \$0	\$3,000	\$7,500	\$2,250	\$4,500	\$2,250
	4.90%	> \$15,000	4.90%	> \$30,000					
	5.20%	> \$30,000	5.20%	> \$60,000					

State Individual Income Tax Rates and Brackets for 2017, *Continued*

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Ky. (r)	2.00%	> \$0	2.00%	> \$0	\$2,480	\$2,480	\$10	\$20	\$10
	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. (f, n)	2.00%	> \$0	0.02	> \$0	n.a.	n.a.	\$4,500	\$9,000	\$1,000
	4.00%	> \$12,500	0.04	> \$25,000					
	6.00%	> \$50,000	0.06	> \$100,000					
Maine (e, p, cc)	5.80%	> \$0	5.80%	> \$0	\$11,600	\$23,200	\$4,050	\$8,100	\$4,050
	6.75%	> \$21,050	6.75%	> \$42,099					
	7.15%	> \$50,000	7.15%	> \$74,999					
Md. (o, y)	2.00%	> \$0	2.00%	> \$0	\$2,000	\$4,000	\$3,200	\$6,400	\$3,200
	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.	5.10%	> \$0	5.10%	> \$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	\$8,000	n.a.
Minn. (p)	5.35%	> \$0	5.35%	> \$0	\$6,350	\$12,700	\$4,050	\$8,100	\$4,050
	7.05%	> \$25,390	7.05%	> \$37,110					
	7.85%	> \$83,400	7.85%	> \$147,450					
	9.85%	> \$156,911	9.85%	> \$261,510					
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. (p)	1.50%	> \$0	1.50%	> \$0	\$6,350	\$12,700	\$2,100	\$4,200	\$1,200
	2.00%	> \$1,008	2.00%	> \$1,008					
	2.50%	> \$2,016	2.50%	> \$2,016					
	3.00%	> \$3,024	3.00%	> \$3,024					
	3.50%	> \$4,032	3.50%	> \$4,032					
	4.00%	> \$5,040	4.00%	> \$5,040					
	4.50%	> \$6,048	4.50%	> \$6,048					
	5.00%	> \$7,056	5.00%	> \$7,056					
	5.50%	> \$8,064	5.50%	> \$8,064					
	6.00%	> \$9,072	6.00%	> \$9,072					

State Individual Income Tax Rates and Brackets for 2017, *Continued*

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Mont. (e, f, q)	1.00%	> \$0	1.00%	> \$0	\$4,510	\$9,020	\$2,400	\$4,800	\$2,400
	2.00%	> \$2,900	2.00%	> \$2,900					
	3.00%	> \$5,200	3.00%	> \$5,200					
	4.00%	> \$7,900	4.00%	> \$7,900					
	5.00%	> \$10,600	5.00%	> \$10,600					
	6.00%	> \$13,600	6.00%	> \$13,600					
	6.90%	> \$17,600	6.90%	> \$17,600					
Nebr. (r, bb)	2.46%	> \$0	2.46%	> \$0	\$6,350	\$12,700	\$132	\$264	\$132
	3.51%	> \$3,090	3.51%	> \$6,170					
	5.01%	> \$18,510	5.01%	> \$37,030					
	6.84%	> \$29,830	6.84%	> \$59,660					
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. (i)	1.70%	> \$0	1.70%	> \$0	\$6,350	\$12,700	\$4,050	\$8,100	\$4,050
	3.20%	> \$5,500	3.20%	> \$8,000					
	4.70%	> \$11,000	4.70%	> \$16,000					
	4.90%	> \$16,000	4.90%	> \$24,000					
N.Y. (bb)	4.00%	> \$0	4.00%	> \$0	\$8,000	\$16,050	n.a.	n.a.	\$1,000
	4.50%	> \$8,500	4.50%	> \$17,150					
	5.25%	> \$11,700	5.25%	> \$23,600					
	5.90%	> \$13,900	5.90%	> \$27,900					
	6.45%	> \$21,400	6.45%	> \$43,000					
	6.65%	> \$80,650	6.65%	> \$161,550					
	6.85%	> \$215,400	6.85%	> \$323,200					
	8.82%	> \$1,077,550	8.82%	> \$2,155,350					
N.C.	5.499%	> \$0	5.499%	> \$0	\$8,750	\$17,500	n.a.	n.a.	n.a.
N.D. (e, p, z)	1.10%	> \$0	1.10%	> \$0	\$6,350	\$12,700	\$4,050	\$8,100	\$4,050
	2.04%	> \$37,950	2.04%	> \$63,400					
	2.27%	> \$91,900	2.27%	> \$153,100					
	2.64%	> \$191,650	2.64%	> \$233,350					
	2.90%	> \$416,700	2.90%	> \$416,700					

State Individual Income Tax Rates and Brackets for 2017, *Continued*

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Ohio	0.495%	> \$0	0.495%	> \$0	n.a.	n.a.	\$2,250	\$4,500	\$2,250
(a, e, g)	0.990%	> \$5,250	0.990%	> \$5,250					
	1.980%	> \$10,500	1.980%	> \$10,500					
	2.476%	> \$15,800	2.476%	> \$15,800					
	2.969%	> \$21,100	2.969%	> \$21,100					
	3.465%	> \$42,100	3.465%	> \$42,100					
	3.960%	> \$84,200	3.960%	> \$84,200					
	4.597%	> \$105,300	4.597%	> \$105,300					
	4.997%	> \$210,600	4.997%	> \$210,600					
Okla.	0.50%	> \$0	0.50%	> \$0	\$6,350	\$12,700	\$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					
Ore.	5.00%	> \$0	5.00%	> \$0	\$2,155	\$4,310	\$195	\$390	\$195
(e, f, aa)	7.00%	> \$3,350	7.00%	> \$6,700					
	9.00%	> \$8,450	9.00%	> \$16,900					
	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	\$8,375	\$16,750	\$3,900	\$7,800	\$3,900
(k)	4.75%	> \$61,300	4.75%	> \$61,300					
	5.99%	> \$139,400	5.99%	> \$139,400					
S.C.	0.00%	> \$0	0.00%	> \$0	\$6,350	\$12,700	\$4,050	\$8,100	\$4,050
(e, p)	3.00%	> \$2,930	3.00%	> \$2,930					
	4.00%	> \$5,860	4.00%	> \$5,860					
	5.00%	> \$8,790	5.00%	> \$8,790					
	6.00%	> \$11,720	6.00%	> \$11,720					
	7.00%	> \$14,650	7.00%	> \$14,650					
S.D.		none		none	n.a.	n.a.	n.a.	n.a.	n.a.
Tenn. (c)	5.00%	> \$0	5.00%	> \$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)	\$3,038	\$6,075	\$3,038
Vt.	3.55%	> \$0	3.55%	> \$0	\$6,350	\$12,700	\$4,050	\$8,100	\$4,050
(e, p)	6.80%	> \$37,950	6.80%	> \$63,350					
	7.80%	> \$91,900	7.80%	> \$153,100					
	8.80%	> \$191,650	8.80%	> \$233,350					
	8.95%	> \$416,700	8.95%	> \$416,700					

State Individual Income Tax Rates and Brackets for 2017, *Continued*

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
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. (e, m)	4.00%	> \$0	4.00%	> \$0	\$10,380	\$19,210	\$700	\$1,400	\$700
	5.84%	> \$11,230	5.84%	> \$14,980					
	6.27%	> \$22,470	6.27%	> \$29,960					
	7.65%	> \$247,350	7.65%	> \$329,810					
Wyo.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
D.C. (j)	4.00%	> \$0	4.00%	> \$0	\$5,650	\$10,275	\$1,775	\$3,550	\$1,775
	6.00%	> \$10,000	6.00%	> \$10,000					
	6.50%	> \$40,000	6.50%	> \$40,000					
	8.50%	> \$60,000	8.50%	> \$60,000					
	8.75%	> \$350,000	8.75%	> \$350,000					
	8.95%	> \$1,000,000	8.95%	> \$1,000,000					

- (a) 2017 tax information due to data availability. As of February 2017, Arkansas and Ohio have not released their inflation adjusted brackets.
- (b) For single taxpayers with AGI below \$20,500, 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 \$20,500, 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 individuals earning more than \$75,000. Two special tax tables exist for low and middle income individuals. One for individuals below \$21,000 in income, and one for those between \$21,000 and \$75,000.
- (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 \$2,250 for an AGI of \$40,000 or less, \$2,000 if AGI is between \$40,001 and \$79,999, and \$1,750 if AGI is \$80,000 or above.
- (h) The top rate is 5.0 percent or 4.85 percent, to be determined by the State Board of Equalization.
- (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) Rate reductions for income between \$40,001 and \$1,000,000 scheduled for 2016 and subsequent tax years, subject to funding. Exemptions are phased out by 2 percent for every \$2,500 in income above \$150,000.
- (k) The phase-out range for the personal exemption and deduction is \$193,600 - \$215,800. The exemptions and deductions are completely phased-out at an modified Federal of AGI of \$215,800.
- (l) The standard deductions 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 \$13,867 of AGI (\$27,734 for married couples).
- (m) The standard deduction phases out by 12% at \$14,8000 for single filers and 19.778% at \$21,360 for married filing jointly. The standard deduction phases out to zero at \$100,383 for single filers, \$117,477 for joint filers.
- (n) Standard deduction 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 \$2,000 and \$4,510. For married taxpayers, the deduction must be between \$4,000 and \$9,020.
 - (r) Tax Credit
 - (s) Exemption credits phase out for single taxpayers by \$6 for each \$2,500 of AGI above \$178,706 and for MFJ by \$12 for each \$2,500 of AGI above \$357,417. 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 \$90 for each \$5,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds \$200,000, up to a maximum payment of \$3,150. For each MFJ taxpayer 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 each MFJ taxpayer whose Connecticut AGI exceeds \$400,000 dollars shall pay, in addition to the amount above, an amount equal to \$180 for each \$10,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds \$400,000, up to a maximum payment of \$6,300.
 - (u) Connecticut taxpayers are also given a personal tax credit based upon certain income constraints, which 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 who is required by this chapter to file a return may elect to report and pay a tax of .5 per cent of its annual gross sales (1) where the taxpayer's only activities in this State consist of sales; and (2) who does not own or rent real estate or tangible personal property; and (3) whose annual gross sales in or into this State during the tax year is not in excess of \$100,000. Haw. Rev. Stat. § 235-51 (2015).
 - (x) \$1,000 is a base exemption. If dependents meet certain conditions, 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.
 - (aa) The personal exemption credit is not allowed if federal AGI exceeds \$100,000 for single filers or \$200,000 for MFJ.
 - (bb) New York, Nebraska, and Arkansas have "tax benefit recapture," by which many high-income taxpayers pay their top tax rate on all income, not just on amounts above the benefit threshold.
 - (cc) An additional 3 percent surcharge tax is imposed on a taxpayer's Maine taxable income in excess of \$200,000, resulting in a top bracket of 10.15%
- Source: Bloomberg BNA; state tax statutes and forms.