**Indiana**

**Current Policy:** Fully refundable state EITC worth 9% of the federal EITC as it existed prior to the enhancements enacted as part of ARRA in 2009.

<table>
<thead>
<tr>
<th>Income Group</th>
<th>Low 20%</th>
<th>2nd 20%</th>
<th>Mid 20%</th>
<th>4th 20%</th>
<th>Next 15%</th>
<th>Next 4%</th>
<th>Top 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Range</td>
<td>Less than $18,000 – $32,000</td>
<td>$32,000 – $53,000</td>
<td>$53,000 – $80,000</td>
<td>$80,000 – $143,000</td>
<td>$143,000 – $311,000</td>
<td>$311,000 – Or More</td>
<td></td>
</tr>
<tr>
<td>Average Income in Group</td>
<td>$10,300</td>
<td>$25,300</td>
<td>$42,800</td>
<td>$65,000</td>
<td>$101,700</td>
<td>$196,000</td>
<td>$800,300</td>
</tr>
</tbody>
</table>

**Current Distribution of Indiana's State & Local Taxes** *(w/EITC impact)*

1) **First Fix:** Fully Couple to Expanded Federal EITC (9% Credit)

2) **Couple to Federal; Increase Credit to 16% Refundable**

3) **Couple to Federal; Increase Credit to 20% Refundable**

4) **Couple to Federal; Increase Credit to 30% Refundable**

5) **Couple to Federal; Increase Credit to 40% Refundable**

6) **Couple to Federal; Increase Credit to 50% Refundable**

*The baseline distribution of taxes used in this report has been modified from the published *Who Pays?* results to reflect to personal income tax rate cut (to 3.23%) that will be implemented in Tax Year 2017 and later as a result of legislation enacted in 2013. The figures represent total state and local taxes as a share of income, post-federal offset. Due to rounding, the new tax distributions shown may not always precisely equal the current distribution minus the EITC offset.*