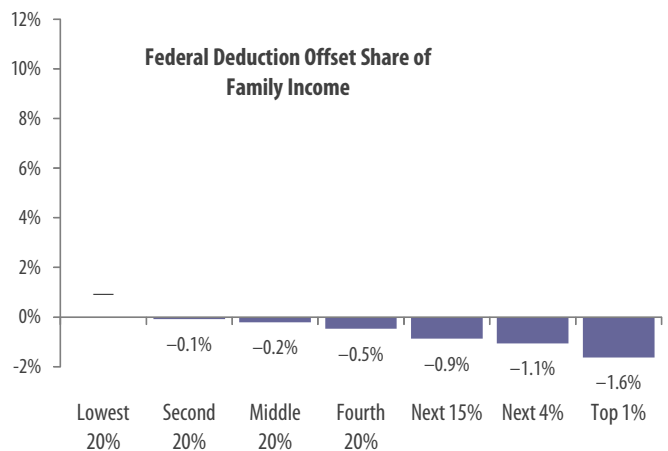
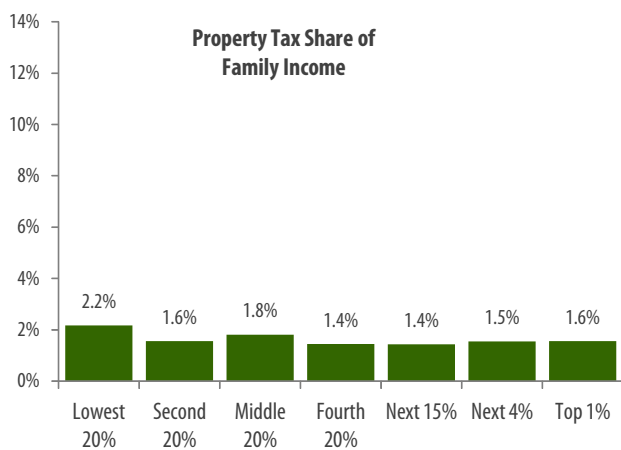
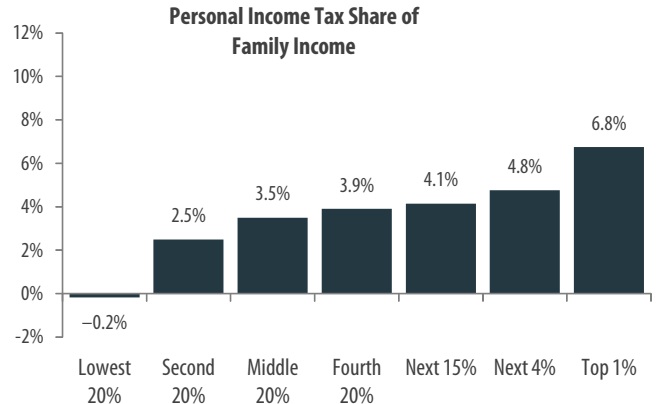
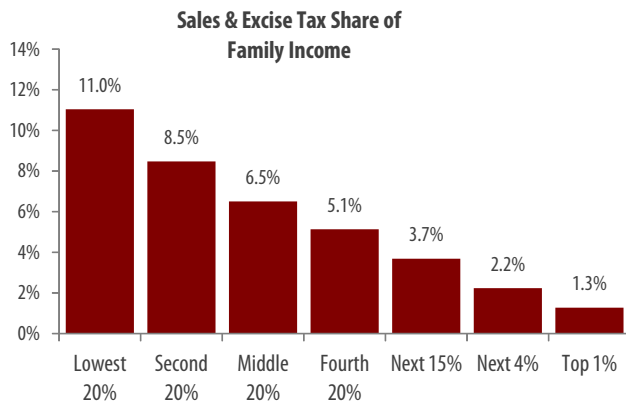
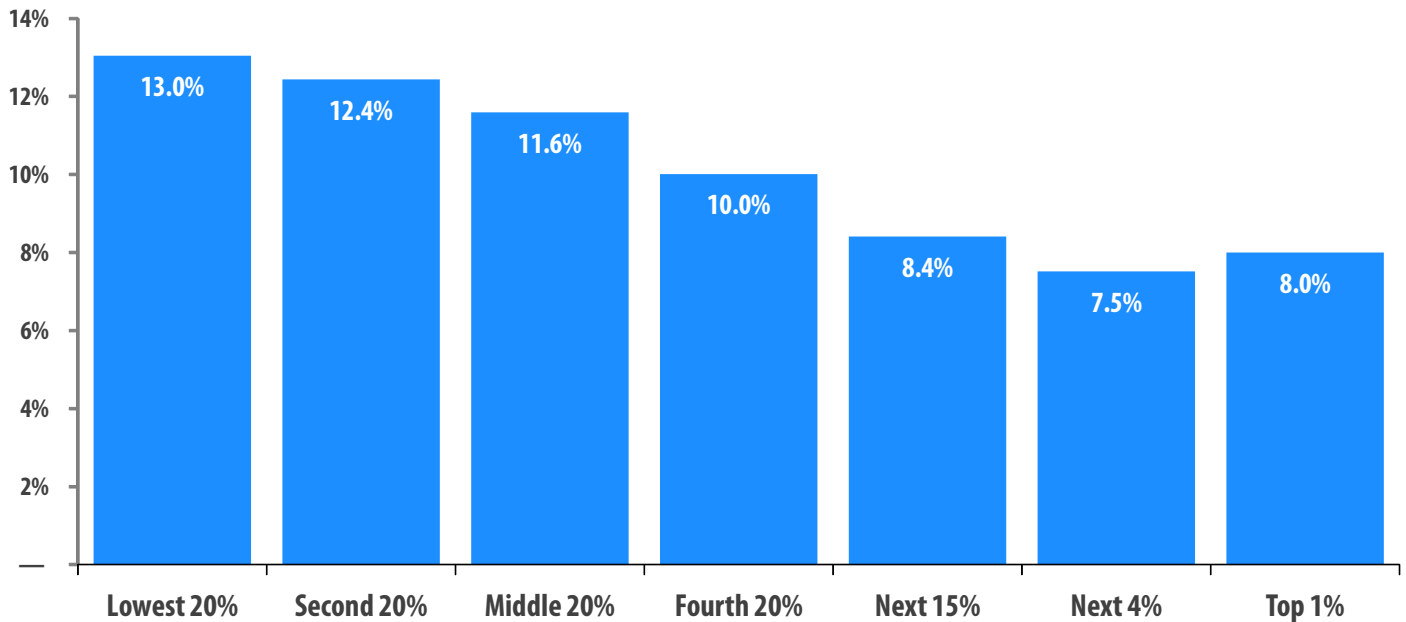


# Hawaii State & Local Taxes

## Shares of family income for non-elderly taxpayers



Note: Figures show tax law in Hawaii enacted through January 2, 2013 at 2010 income levels. The analysis includes the temporary high-income tax brackets, personal exemption phase-out, and itemized deduction limitations that are scheduled to expire at the end of 2015. Top figure represents total state and local taxes as a share of personal income, post-federal offset.

# Hawaii State & Local Taxes

## Details, Tax Code Features, & Recent Developments

Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$17,000	\$17,000 – \$32,000	\$32,000 – \$50,000	\$50,000 – \$81,000	\$81,000 – \$159,000	\$159,000 – \$326,000	\$326,000 or more
Average Income in Group	\$9,800	\$23,900	\$40,000	\$63,600	\$110,600	\$217,900	\$698,600
<b>Sales &amp; Excise Taxes</b>	<b>11.0%</b>	<b>8.5%</b>	<b>6.5%</b>	<b>5.1%</b>	<b>3.7%</b>	<b>2.2%</b>	<b>1.3%</b>
General Sales—Individuals	4.9%	3.9%	3.0%	2.3%	1.7%	1.0%	0.6%
Other Sales & Excise—Ind.	2.5%	1.6%	1.2%	0.9%	0.6%	0.3%	0.1%
Sales & Excise on Business	3.6%	3.0%	2.3%	1.9%	1.4%	0.9%	0.6%
<b>Property Taxes</b>	<b>2.2%</b>	<b>1.6%</b>	<b>1.8%</b>	<b>1.4%</b>	<b>1.4%</b>	<b>1.5%</b>	<b>1.6%</b>
Property Taxes on Families	2.1%	1.4%	1.8%	1.4%	1.3%	1.0%	0.7%
Other Property Taxes	0.1%	0.1%	0.1%	0.1%	0.2%	0.5%	0.9%
<b>Income Taxes</b>	<b>-0.2%</b>	<b>2.5%</b>	<b>3.5%</b>	<b>3.9%</b>	<b>4.2%</b>	<b>4.8%</b>	<b>6.8%</b>
Personal Income Tax	-0.2%	2.5%	3.5%	3.9%	4.1%	4.8%	6.8%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total Taxes</b>	<b>13.0%</b>	<b>12.5%</b>	<b>11.8%</b>	<b>10.5%</b>	<b>9.3%</b>	<b>8.6%</b>	<b>9.6%</b>
<b>Federal Deduction Offset</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>-0.2%</b>	<b>-0.5%</b>	<b>-0.9%</b>	<b>-1.1%</b>	<b>-1.6%</b>
<b>OVERALL TOTAL</b>	<b>13.0%</b>	<b>12.4%</b>	<b>11.6%</b>	<b>10.0%</b>	<b>8.4%</b>	<b>7.5%</b>	<b>8.0%</b>

Note: Table shows detailed breakout of data on previous page.

### Progressive Features

- ✓ Income tax uses a graduated rate structure
- ✓ Provides refundable income tax credits to reduce impact of sales, excise, and property taxes

### Regressive Features

- ✗ Provides preferential income tax rates for income from capital gains
- ✗ Comparatively high reliance on sales and excise taxes
- ✗ Sales tax base includes groceries

### Recent Developments

- ▲ Increased the standard deduction and personal exemption
- ▲ Created a phase-out of the state income tax deduction for married taxpayers with

Temporary Income Tax Provisions in Hawaii are a Modest Step Toward Reduced Tax Regressivity

