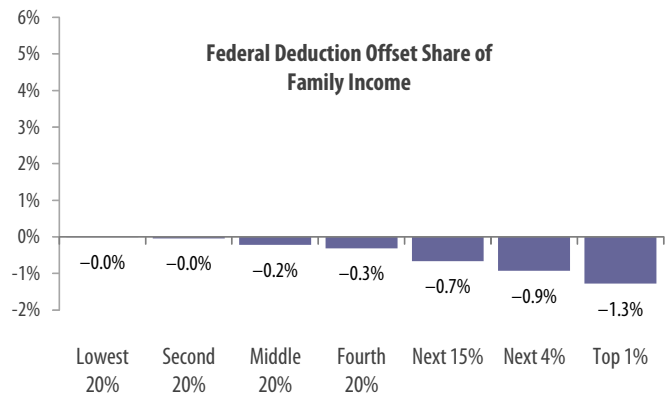
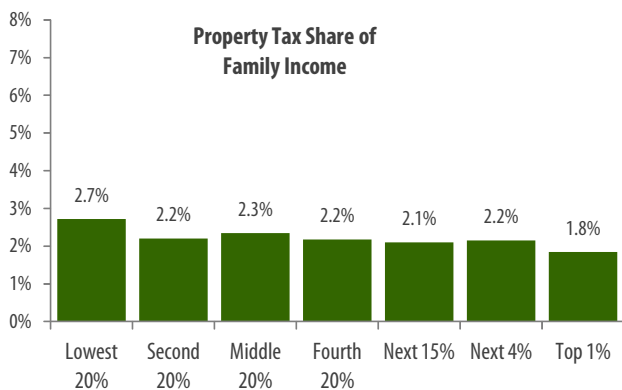
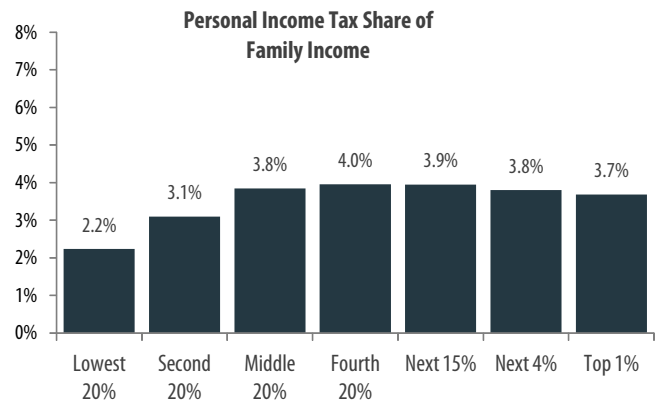
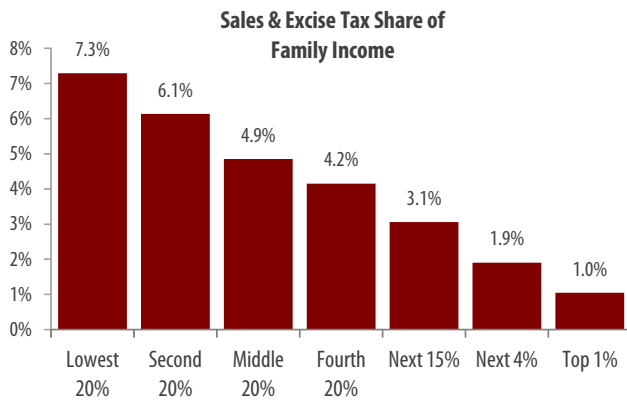
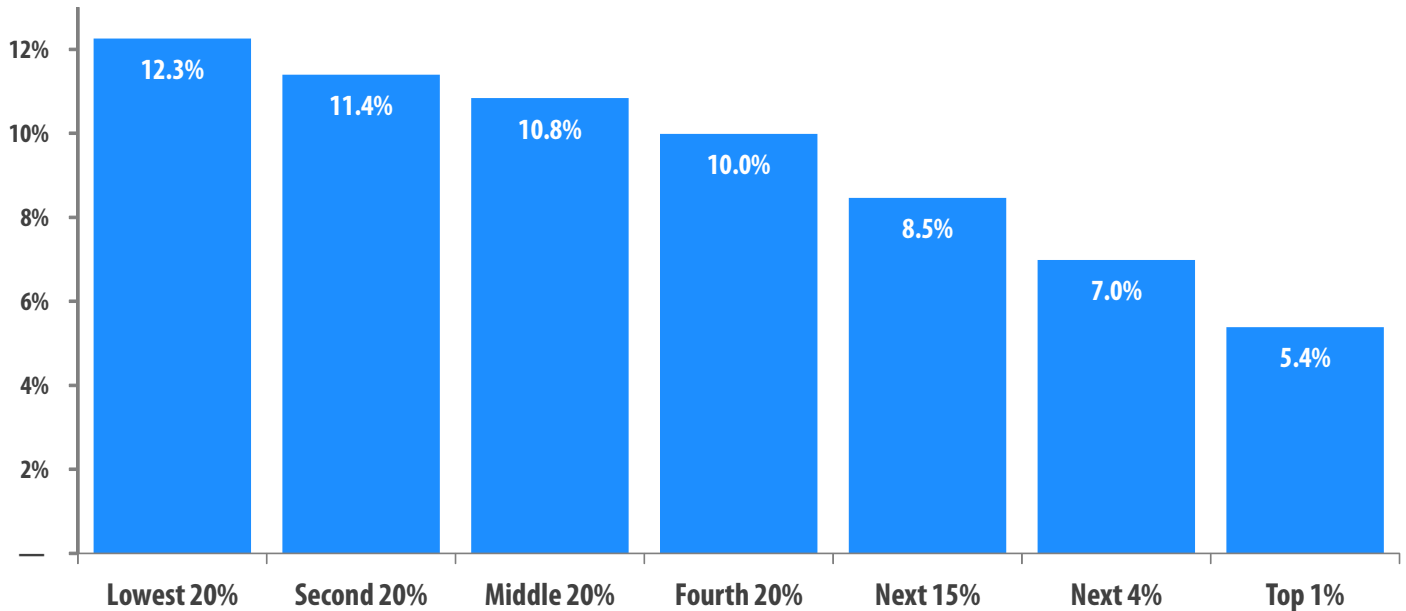


Indiana State & Local Taxes

#9 of the Terrible 10

Shares of family income for non-elderly taxpayers



Note: Figures show permanent law in Indiana enacted through January 2, 2013 at 2010 income levels. Top figure represents total state and local taxes as a share of personal income, post- federal offset.

Indiana 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 \$18,000	\$18,000 – \$32,000	\$32,000 – \$53,000	\$53,000 – \$80,000	\$80,000 – \$143,000	\$143,000 – \$331,000	\$331,000 or more
Average Income in Group	\$10,300	\$25,300	\$42,800	\$65,000	\$101,700	\$196,000	\$800,300
Sales & Excise Taxes	7.3%	6.1%	4.9%	4.2%	3.1%	1.9%	1.0%
General Sales—Individuals	4.2%	3.8%	3.1%	2.7%	2.0%	1.2%	0.7%
Other Sales & Excise—Ind.	1.6%	1.1%	0.8%	0.6%	0.4%	0.2%	0.1%
Sales & Excise on Business	1.5%	1.3%	1.0%	0.9%	0.7%	0.4%	0.3%
Property Taxes	2.7%	2.2%	2.3%	2.2%	2.1%	2.2%	1.8%
Property Taxes on Families	2.4%	2.0%	2.0%	1.9%	1.8%	1.5%	0.7%
Other Property Taxes	0.3%	0.2%	0.3%	0.3%	0.3%	0.6%	1.1%
Income Taxes	2.3%	3.1%	3.9%	4.0%	4.0%	3.9%	3.8%
Personal Income Tax (State and Local)	2.2%	3.1%	3.8%	4.0%	3.9%	3.8%	3.7%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Total Taxes	12.3%	11.4%	11.1%	10.3%	9.1%	7.9%	6.7%
Federal Deduction Offset	0.0%	0.0%	-0.2%	-0.3%	-0.7%	-0.9%	-1.3%
OVERALL TOTAL	12.3%	11.4%	10.8%	10.0%	8.5%	7.0%	5.4%

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

Progressive Features

- ✓ Provides a refundable earned income tax credit (EITC)
- ✓ Sales tax base excludes groceries

Regressive Features

- ✗ Income tax uses a single rate structure
- ✗ Comparatively low income tax exemptions

Recent Developments

- ▲ Enacted a gradual phase-out of the state's inheritance tax
- ▲ Enacted a gradual reduction in the corporate income tax rate from 8.5 to 6.5 percent
- ▲ Amazon will begin to collect sales tax from online purchases

States With a Flat Rate Personal Income Tax

