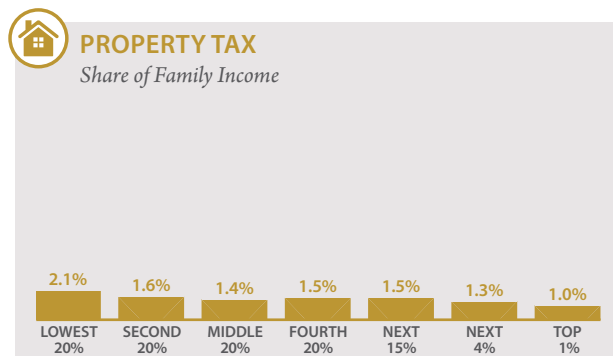
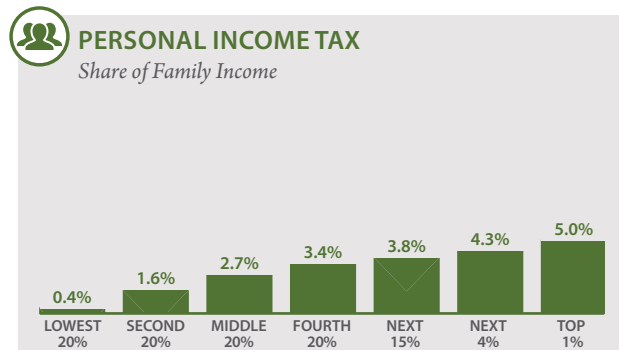
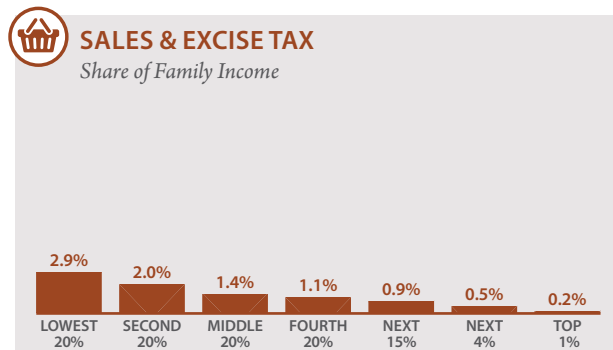
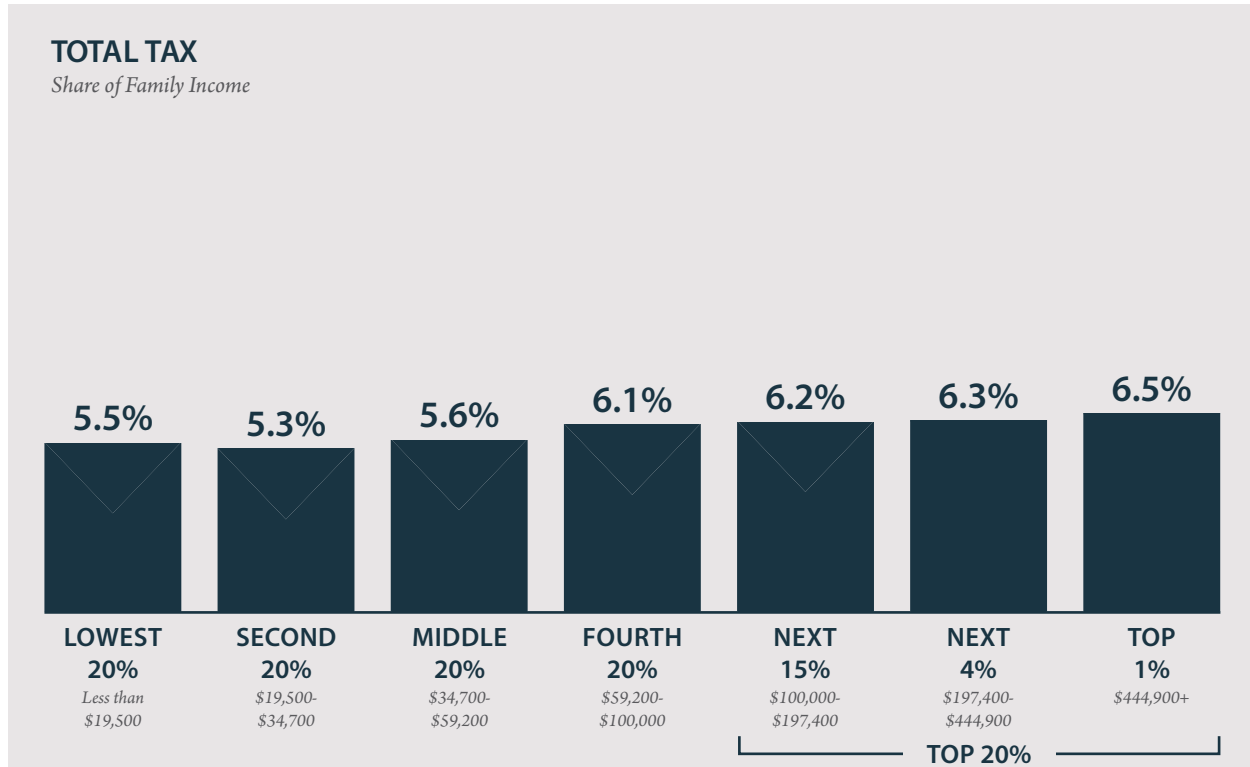


# DELAWARE

## STATE AND LOCAL TAX SHARES OF FAMILY INCOME for non-elderly taxpayers







**NOTE:**

Figures show permanent law in Delaware enacted through September 10, 2018 at 2015 income levels. Top figure represents total state and local taxes as a share of income. The 6th edition of Who Pays does not include the impact of the federal deduction for state and local taxes (SALT) because policy changes in the 2017 federal Tax Cuts and Jobs Act temporarily limited the extent to which the SALT deduction functions as a generalized offset of state and local taxes.

# DELAWARE State and Local Taxes (cont.)

## TOTAL TAX

Share of Family Income

INCOME GROUP	TOP 20%						
	LOWEST 20%	SECOND 20%	MIDDLE 20%	FOURTH 20%	NEXT 15%	NEXT 4%	TOP 1%
INCOME RANGE	Less than \$19,500	\$19,500 to \$34,700	\$34,700 to \$59,200	\$59,200 to \$100,000	\$100,000 to \$197,400	\$197,400 to \$444,900	over \$444,900
AVERAGE INCOME IN GROUP	\$10,900	\$26,000	\$46,900	\$78,200	\$135,900	\$280,900	\$1,028,700
 <b>SALES &amp; EXCISE TAXES</b>	<b>2.9%</b>	<b>2.0%</b>	<b>1.4%</b>	<b>1.1%</b>	<b>0.9%</b>	<b>0.5%</b>	<b>0.2%</b>
General Sales—Individuals	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Sales & Excise—Ind.	2.2%	1.5%	1.0%	0.8%	0.6%	0.3%	0.1%
Sales & Excise on Business	0.7%	0.5%	0.4%	0.3%	0.3%	0.2%	0.1%
 <b>PROPERTY TAXES</b>	<b>2.1%</b>	<b>1.6%</b>	<b>1.4%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>1.3%</b>	<b>1.0%</b>
Home, Rent, Car—Individuals	2.1%	1.6%	1.4%	1.4%	1.4%	1.1%	0.4%
Other Property Taxes	0.0%	0.0%	0.0%	0.1%	0.1%	0.2%	0.7%
 <b>INCOME TAXES</b>	<b>0.5%</b>	<b>1.7%</b>	<b>2.8%</b>	<b>3.5%</b>	<b>3.9%</b>	<b>4.4%</b>	<b>5.3%</b>
Personal Income Tax	0.4%	1.6%	2.7%	3.4%	3.8%	4.3%	5.0%
Corporate Income Tax	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.3%
 <b>TOTAL TAXES</b>	<b>5.5%</b>	<b>5.3%</b>	<b>5.6%</b>	<b>6.1%</b>	<b>6.2%</b>	<b>6.3%</b>	<b>6.5%</b>

Individual figures may not sum to totals due to rounding.

## ITEP TAX INEQUALITY INDEX

According to ITEP's Tax Inequality Index, **Delaware's state and local tax system does not worsen income inequality and ranks 48th on the index.** The large income gap between lower- and middle-income taxpayers, as compared to the wealthy, is somewhat narrower after state and local taxes than before. (See Appendix B for state-by-state rankings and the methodology for additional detail.)

## TAX FEATURES DRIVING THE DATA IN DELAWARE



### PROGRESSIVE TAX CODE FEATURES

- Graduated personal income tax structure
- Provides an exemption credit in place of personal exemption
- Provides a refundable Earned Income Tax Credit (EITC)
- No statewide sales tax
- Levies a state estate tax



### REGRESSIVE TAX CODE FEATURES

- Comparatively low EITC
- Fails to provide a property tax "circuit breaker" credit for low-income taxpayers
- Fails to use combined reporting as part of its corporate income tax