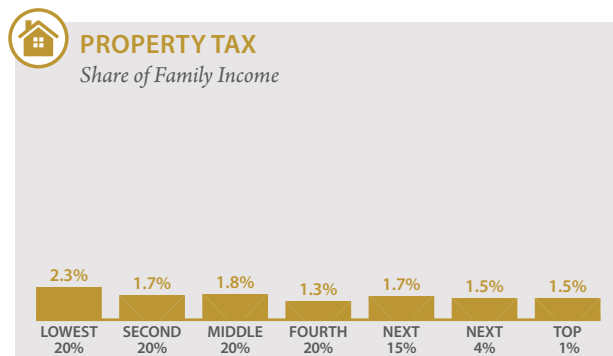
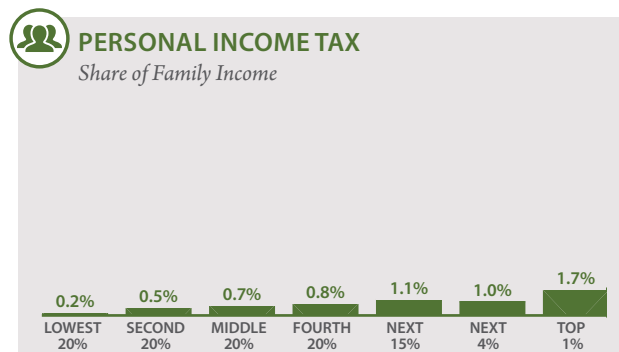
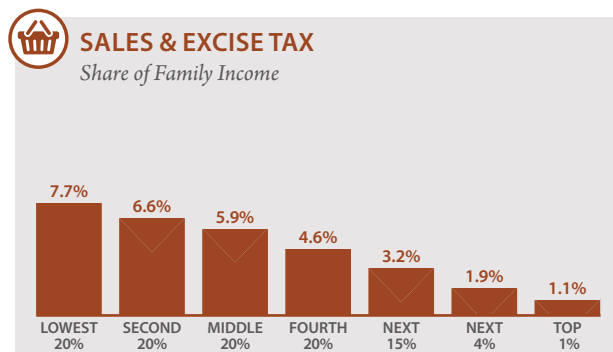
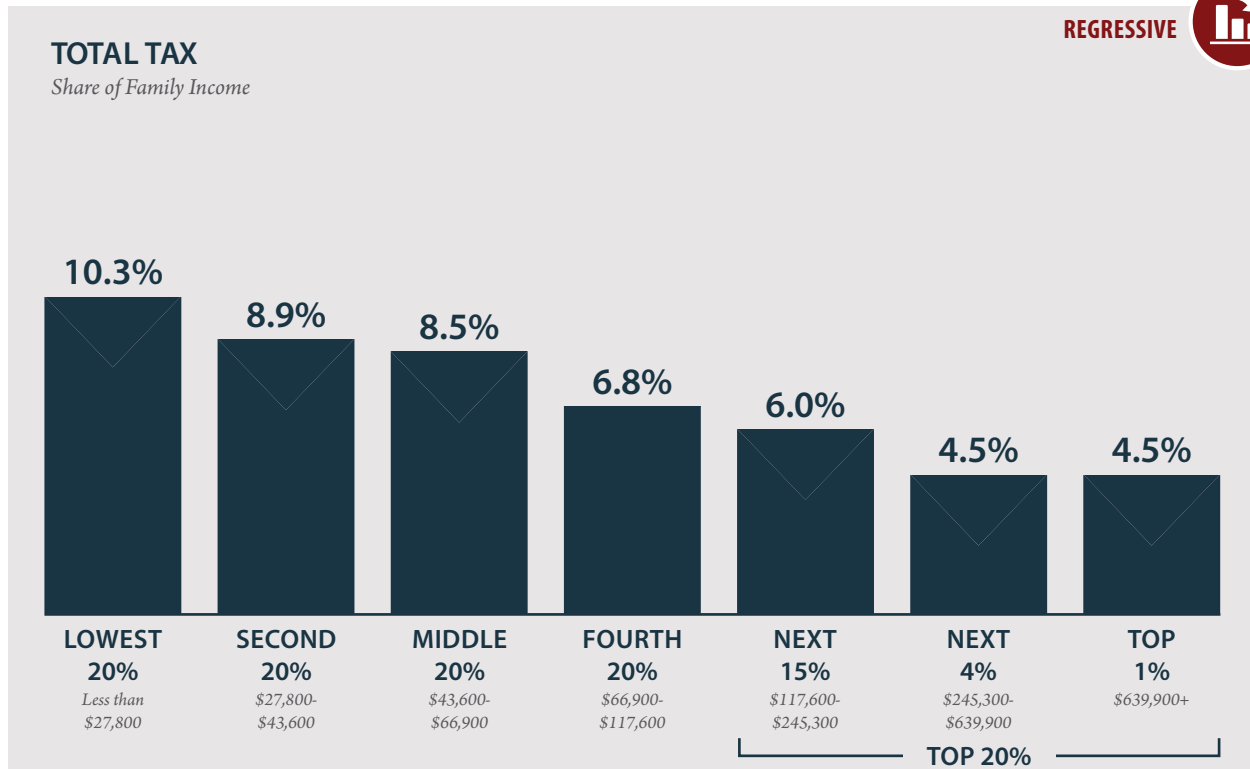


# NORTH DAKOTA

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







**NOTE:**

Figures show permanent law in North Dakota 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.

# NORTH DAKOTA 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 \$27,800	\$27,800 to \$43,600	\$43,600 to \$66,900	\$66,900 to \$117,600	\$117,600 to \$245,300	\$245,300 to \$639,900	over \$639,900
AVERAGE INCOME IN GROUP	\$16,600	\$35,600	\$55,200	\$92,000	\$157,900	\$367,700	\$1,331,300
 <b>SALES &amp; EXCISE TAXES</b>	<b>7.7%</b>	<b>6.6%</b>	<b>5.9%</b>	<b>4.6%</b>	<b>3.2%</b>	<b>1.9%</b>	<b>1.1%</b>
General Sales—Individuals	3.5%	3.1%	2.9%	2.3%	1.7%	1.1%	0.7%
Other Sales & Excise—Ind.	0.8%	0.6%	0.5%	0.4%	0.3%	0.2%	0.1%
Sales & Excise on Business	3.4%	2.9%	2.6%	2.0%	1.2%	0.6%	0.4%
 <b>PROPERTY TAXES</b>	<b>2.3%</b>	<b>1.7%</b>	<b>1.8%</b>	<b>1.3%</b>	<b>1.7%</b>	<b>1.5%</b>	<b>1.5%</b>
Home, Rent, Car—Individuals	2.1%	1.7%	1.8%	1.1%	1.5%	1.0%	0.6%
Other Property Taxes	0.2%	0.0%	0.0%	0.2%	0.2%	0.5%	0.9%
 <b>INCOME TAXES</b>	<b>0.3%</b>	<b>0.5%</b>	<b>0.7%</b>	<b>0.8%</b>	<b>1.1%</b>	<b>1.1%</b>	<b>1.8%</b>
Personal Income Tax	0.2%	0.5%	0.7%	0.8%	1.1%	1.0%	1.7%
Corporate Income Tax	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%
 <b>TOTAL TAXES</b>	<b>10.3%</b>	<b>8.9%</b>	<b>8.5%</b>	<b>6.8%</b>	<b>6.0%</b>	<b>4.5%</b>	<b>4.5%</b>

Individual figures may not sum to totals due to rounding.

## ITEP TAX INEQUALITY INDEX

According to ITEP's Tax Inequality Index, which measures the impact of each state's tax system on income inequality, **North Dakota has the 17th most unfair state and local tax system** in the country. Incomes are more unequal in North Dakota after state and local taxes are collected than before. (See Appendix B for state-by-state rankings and the methodology section for additional detail on the index.)

## TAX FEATURES DRIVING THE DATA IN NORTH DAKOTA



### PROGRESSIVE TAX CODE FEATURES

- Graduated personal income tax structure
- Sales tax base excludes groceries
- Requires the use of combined reporting for the corporate income tax



### REGRESSIVE TAX CODE FEATURES

- Provides an income tax deduction for state income taxes paid
- Fails to provide refundable income tax credits to offset sales, excise, and property taxes
- Provides an income tax exclusion equal to 40 percent of long-term capital gains income
- Does not levy a tax on estates or inheritances